United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 110th CONGRESS, FIRST SESSION

Vol. 153 WASHINGTON, WEDNESDAY, DECEMBER 19, 2007 No. 195

Senate

The Senate met at 11:30 a.m. and was called to order by the Honorable ROBERT P. CASEY, Jr., a Senator from the State of Pennsylvania.

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

Our Father, when we look to the heavens, the works of Your fingers, the Moon and the stars that You have established, what is humanity that You are mindful of us? May those thoughts of Your Majesty lead us to humility and a willingness to acknowledge our weakness and failure as we receive Your strength and wisdom.

Give our Senators a passion for Your glory. Help them to remember Your words: Those who exalt themselves shall be abased, and those who humble themselves shall be exalted.

Today, I personally thank You for the gifts of TRENT and TRICIA LOTT. I praise You for their friendship, their faithfulness, and their fervor for You. As they leave the Senate, surround them with Your grace, power, and love.

We ask this in the Name of Him who is perfection incarnate. Amen.

PLEDGE OF ALLEGIANCE

The Honorable ROBERT P. CASEY, Jr., led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, December 19, 2007.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable ROBERT P. CASEY, Jr., a Senator from the State of Pennsylvania, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. CASEY thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. REID. Mr. President, morning business will be what we will do most of the day. We have a 10-minute limitation, as we normally do, except for JACK REED, who has an order for 30 minutes. We are going to recess today at 12:30 for a Democratic conference and then reconvene at 2:15. We have a number of issues we will be working through today, the House is sending us, we are going to send them. There are, of course, no votes, and we will do our very best to finish as soon as we can. I spoke to both Majority Leader HOYER and Speaker PELOSI today. They expect to finish around 6 or 7 tonight. So during that time we will be running things back and forth with each other until we get this worked out.

ORDER FOR RETURN OF PAPERS—H.R. 2764

Mr. REID. Mr. President, this request has been approved by the Republicans. I ask unanimous consent that the Senate request the House to return the papers relative to H.R. 2764.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

INTEGRATED DEEPWATER PROGRAM REFORM ACT

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to Calendar No. 171, S. 924.

The ACTING PRESIDENT pro tempore. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 924) to strengthen the United States Coast Guard's Integrated Deepwater Program.

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Commerce, Science and Transportation with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Integrated Deepwater Program Reform Act''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

SEC. 2. PROCUREMENT STRUCTURE.

(a) IN GENERAL.—

(1) USE OF LEAD SYSTEMS INTEGRATOR.—Except as provided in subsection (b), the United States Coast Guard may not use a private sector entity as a lead systems integrator for procurements under, or in support of, the Integrated Deepwater Program after the date of enactment of this Act.

(2) FULL AND OPEN COMPETITION.—The United States Coast Guard shall utilize full and open competition for any other procurement for which an outside contractor is used under, or in support of, the Integrated Deepwater Program after the date of enactment of this Act.

(b) EXCEPTIONS.—

(1) COMPLETION OF PROCUREMENT BY LEAD SYSTEMS INTEGRATOR.—Notwithstanding subsection (a), the Coast Guard may use a private sector entity as a lead systems integrator—

(A) to complete any delivery order or task order that was issued to the lead systems integrator on or before the date of enactment of this Act without any change in the quantity of assets or the specific type of assets covered by the order;

(B) for procurements of—

(i) the HC–130J and the C41SR, and

(ii) National Security Cutters or Maritime Patrol Aircraft under contract or order for construction as of the date of enactment of this Act,

if the requirements of subsection (c) are met with respect to such procurements; and

(C) for the procurement of additional National Security Cutters or Maritime Patrol Aircraft if the Commandant determines, after conducting the analysis of alternatives required by section 3, that—

(i) the justifications of FAR 6.3 are met;

(ii) the procurement and the use of a private sector entity as a lead systems integrator for the procurement is in the best interest of the Federal government; and

(iii) the requirements of subsection (c) are met with respect to such procurement.

(2) AWARDS TO TIER 1 SUBCONTRACTORS.—The Coast Guard may award to any Tier 1 subcontractor or subcontractor below the Tier 1 level any procurement that it could award to a lead systems integrator under paragraph (1).

(3) REPORT ON DECISION-MAKING PROCESS.—If the Coast Guard determines under paragraph (1) that it will use a private sector lead systems integrator for a procurement, the Commandant shall transmit a report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure notifying the Committees of its determination and explaining the rationale for the determination.

(c) LIMITATION ON LEAD SYSTEMS INTEGRATORS.—Neither an entity performing lead systems integrator functions for a procurement under, or in support of, the Integrated Deepwater Program, nor a Tier 1 subcontractor, for any procurement described in subparagraph (B) or (C) of subsection (b)(1) may have a financial interest in a subcontractor below the tier 1 subcontractor level unless—

(1) the entity was selected by the Coast Guard through full and open competition for such procurement;

(2) the procurement was awarded by the lead systems integrator or a subcontractor through full and open competition;

(3) the procurement was awarded by a subcontractor through a process over which the lead systems integrator or a Tier 1 subcontractor exercised no control; or

(4) the Commandant has determined that the justifications of FAR 6.3 are met.

SEC. 3. ANALYSIS OF ALTERNATIVES.

(a) IN GENERAL.—Except with respect to a procurement described in subparagraph (A) or (B) of section 2(b)(1) of this Act, or a procurement for which a request for proposals consistent with the FAR has been issued before the date of enactment of this Act, no procurement may be awarded under the Integrated Deepwater Program until an analysis of alternatives has been conducted under this section.

(b) INDEPENDENT ANALYSIS.—As soon as possible, but no later than 120 days after the date of enactment of this Act, the Commandant shall execute a contract for an analysis of alternatives with a Federally Funded Research and Development Center, an appropriate entity of the Department of Defense, or a similar independent third party entity that has appropriate acquisition expertise for independent analysis of all of the proposed procurements under, or in support of, the Integrated Deepwater Program, including procurements described in section 2(b)(1)(B), and for any future major changes of such procurements. The Commandant may not contract under this subsection for such an analysis with any entity that has a substantial financial interest in any part of the Integrated Deepwater Program as of the date of enactment of this Act or in any alternative being considered.

(c) ANALYSIS.—The analysis of alternatives provided pursuant to the contract under subsection (b) for procurements and feasible alternatives shall include—

(1) an examination of capability, interoperability, and other advantages and disadvantages;

(2) an evaluation of whether different quantities of specific assets could meet the Coast Guard's overall performance needs;

(3) a discussion of key assumptions and variables, and sensitivity to changes in such assumptions and variables;

(4) an assessment of technology risk and maturity;

(5) an evaluation of safety and performance records; and

(6) a calculation of costs, including life-cycle costs.

(d) REPORT TO CONGRESS.—As soon as possible after an analysis of alternatives has been completed, the Commandant shall develop a plan for the procurements addressed in the analysis, as well as procurements described in subsection (a) for which no analysis of alternatives is required, and shall transmit a report describing the plan, and the schedule and costs for delivery of such procurements to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure.

SEC. 4. CERTIFICATION.

(a) IN GENERAL.—After the date of enactment of this Act, a contract, delivery order, or task order exceeding $10,000,000 for procurement under, or in support of, the Coast Guard's Integrated Deepwater Program may not be executed by the Coast Guard until the Commandant certifies that—

(1) appropriate market research has been conducted prior to technology development to reduce duplication of existing technology and products;

(2) the technology has been demonstrated to the maximum extent practicable in a relevant environment;

(3) the technology demonstrates a high likelihood of accomplishing its intended mission;

(4) the technology is affordable when considering the per unit cost and the total procurement cost in the context of the total resources available during the period covered by the Integrated Deepwater Program;

(5) the technology is affordable when considering the ability of the Coast Guard to accomplish its missions using alternatives, based on demonstrated technology, design, and knowledge;

(6) funding is available to execute the contract, delivery order, or task order; and

(7) the technology complies with all relevant policies, regulations, and directives of the Coast Guard.

(b) LIMITATION.—Nothing in this section shall prevent the Coast Guard from executing contracts or issuing deliver orders or task orders, for research and development or technology demonstrations under, or in support of, the Integrated Deepwater Program.

(c) REPORT TO CONGRESS.—The Commandant shall transmit a copy of each certification required under subsection (a) to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure within 30 days after the completion of the certification.

SEC. 5. CONTRACT REQUIREMENTS.

The Commandant shall ensure that any contract, delivery order, or task order for procurement under, or in support of, the Integrated Deepwater Program executed by the Coast Guard—

(1) addresses the recommendations related to award fee determination and award term evaluation made by the Government Accountability Office in its March, 2004, report entitled Coast Guard's Deepwater Program Needs Increased Attention to Management and Contractor Oversight, GAO–04–380, and any subsequent Government Accountability Office recommendations relevant to the contract terms issued before March 1, 2007, including the recommendation that any award or incentive fee be tied to program outcomes;

(2) provides that certification of any Integrated Deepwater Program procurement for performance, safety, and other relevant factors determined by the Commandant will be conducted by an independent third party;

(3) does not include—

(A) for any contract extending the existing Integrated Deepwater Program contract term that expires in June, 2007, minimum requirements for the purchase of a given or determinable number of specific assets;

(B) provisions that commit the Coast Guard without express written approval by the Coast Guard;

(C) any provision allowing for equitable adjustment that differs from the Federal Acquisition Regulations;

(4) for any contract extending the existing Integrated Deepwater Program contract term that expires in June, 2007, is reviewed by, and addresses recommendations made by, the Under Secretary of Defense for Acquisition, Technology, and Logistics through the Defense Acquisition University in its Quick Look Study dated February 5, 2007; and

(5) meets the requirements of the Systems Acquisition Manual.

SEC. 6. IMPROVEMENTS IN COAST GUARD MANAGEMENT.

(a) IN GENERAL.—As soon as practicable after the date of enactment of this Act, the Commandant shall take action to ensure that—

(1) the measures contained in the Coast Guard's report entitled Coast Guard: Blue Print for Acquisition Reform are implemented fully;

(2) any additional measures for improved management recommended by the Defense Acquisition University in its Quick Look Study of the United States Coast Guard Deepwater Program, dated February 5, 2007, are implemented;

(3) integrated product teams, and all higher-level teams that oversee integrated product teams, are chaired by Coast Guard personnel; and

(4) the Assistant Commandant for Engineering and Logistics is designated as the Technical Authority for all design, engineering, and technical decisions for the Integrated Deepwater Program.

(b) TRANSFER.—

(1) IN GENERAL.—Section 93(a) of title 14, United States Code, is amended—

(A) by striking ''and'' after the semicolon in paragraph (23);

(B) by striking ''appropriate.'' in paragraph (24) and inserting ''appropriate; and''; and

(C) by adding at the end thereof the following:

''(25) notwithstanding any other provision of law, in any fiscal year transfer funds made available for personnel, compensation, and benefits from the appropriation account 'Acquisition, Construction, and Improvement' to the appropriation account 'Operating Expenses' for personnel compensation and benefits and related costs necessary to execute new or existing procurements of the Coast Guard.''.

(2) NOTIFICATION.—Within 30 days after making a transfer under section 93(a)(25) of title 14, United States Code, the Commandant shall notify the Senate Committee on Commerce, Science, Transportation and Infrastructure, the Senate Committee on Appropriations, the House Committee on Transportation and Infrastructure, and the House Committee on Appropriations.

SEC. 7. PROCUREMENT AND REPORT REQUIREMENTS.

(a) SELECTED ACQUISITION REPORTS.—The Commandant shall submit to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure reports on the Integrated Deepwater Program that contain the same type of information with respect to that Program, to the greatest extent practicable, as the Secretary of Defense is required to provide to the Congress under section 2432 of title 10, United States Code, with respect to major defense procurement programs.

(b) UNIT COST REPORTS.—Each Coast Guard program manager under the Coast Guard's Integrated Deepwater Program shall provide to the Commandant, or the Commandant's designee, reports on the unit cost of assets acquired or modified that are under the management or control of the Coast Guard program manager on the same basis and containing the same information, to the greatest extent practicable, as is required to be included in the reports a program manager is required to provide to the service procurement executive designated by the Secretary of Defense under section 2433 of title 10, United States Code, with respect to a major defense procurement program.

(c) REPORTING ON COST OVERRUNS AND DELAYS.—Within 30 days after the Commandant becomes aware of a likely cost overrun or scheduled delay, the Commandant shall transmit a report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure that includes—

(1) a description of the known or anticipated cost overrun;

(2) a detailed explanation for such overruns;

(3) a detailed description of the Coast Guard's plans for responding to such overrun and preventing additional overruns; and

(4) a description of any significant delays in procurement schedules.

(d) PATROL BOAT REPORT.—Not later than 90 days after the date of enactment of this Act the Commandant shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report on how the Coast Guard plans to manage the annual readiness gap of lost time for 110-foot patrol boats from fiscal year 2008 through fiscal year 2014. The report shall include—

(1) a summary of the patrol hours that will be lost due to delays in replacing the 110-foot cutters and reduced capabilities of the 110-foot cutters that have been converted;

(2) an identification of assets that may be used to alleviate the annual readiness gap of lost time for such patrol boats;

(3) a projection of the remaining operational lifespan of the 110-foot patrol boat fleet;

(4) a description of how extending through fiscal year 2014 the transfer agreement between the Coast Guard and the United States Navy for 5 Cyclone class 179-foot patrol coastal ships would effect the annual readiness gap of lost time for 110-foot patrol boats; and

(5) an estimate of the cost to extend the operational lifespan of the 110-foot patrol boat fleet for each of fiscal years 2008 through 2014.

SEC. 8. GAO REVIEW AND RECOMMENDATIONS.

(a) AWARD FEE AND AWARD TERM CRITERIA.—The Coast Guard shall consult with the Comptroller General no later than June 1, 2007 to ensure that the Government Accountability Office's recommendations, in its March, 2004, report entitled Coast Guard's Deepwater Program Needs Increased Attention to Management and Contractor Oversight, GAO–04–380, and any subsequent Government Accountability Office recommendations issued before March 1, 2007, with respect to award fee and award term criteria will be addressed to the maximum extent practicable in any contract, delivery order, or task order or extension of the existing contract for procurement under or in support of the Integrated Deepwater Program entered into after the date of enactment of this Act.

(b) OTHER RECOMMENDATIONS.—The Commandant shall ensure that all other recommendations in that report, and any subsequent recommendations issued before March 1, 2007, are implemented to the maximum extent practicable by the Coast Guard within 1 year after the date of enactment of this Act. The Commandant shall report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure on the Coast Guard's progress in implementing such recommendations.

(c) GAO REPORTS ON IMPLEMENTATION.—Beginning 6 months after the date of enactment of this Act, the Comptroller General shall submit an annual report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure on the Coast Guard's progress in implementing the provisions of this Act, the Government Accountability Office's recommendations, in its March, 2004, report entitled Coast Guard's Deepwater Program Needs Increased Attention to Management and Contractor Oversight, GAO–04–380, and any subsequent Government Accountability Office recommendations issued before March 1, 2007.

SEC. 9. INSPECTOR GENERAL REVIEW OF DEEPWATER PROGRAM.

Not later than 240 days after the date of the enactment of this Act, the Inspector General of the Department of Homeland Security shall submit to the Secretary, and to Congress, a report on the acquisition of assets under the Deepwater program. The report shall include—

(1) a description of each decision, if any, of the Coast Guard or Integrated Coast Guard Systems relating to the acquisition of assets under the Deepwater program that directly or indirectly resulted in cost overruns or program cost increases to the United States;

(2) an assessment whether any decision covered by paragraph (1) violated the terms of the contract of Integrated Coast Guard Systems for the Deepwater program;

(3) an assessment of how much program costs under the Deepwater program have increased as a result of any such decision; and

(4) an assessment of whether the Coast Guard or Integrated Coast Guard Systems is responsible for the payment of any cost overruns associated with any such decision.

SEC. 10. DEFINITIONS.

In this Act:

(1) COMMANDANT.—The term ''Commandant'' means the Commandant of the United States Coast Guard.

(2) INTEGRATED DEEPWATER PROGRAM.—The term ''Integrated Deepwater Program'' means the Integrated Deepwater Systems Program described by the Coast Guard in its Report to Congress on Revised Deepwater Implementation Plan, dated March 25, 2005, including any subsequent modifications, revisions, or restatements of the Program.

(3) PROCUREMENT.—The term ''procurement'' includes development, production, sustainment, modification, conversion, and missionization.

Mr. REID. I ask unanimous consent that the Cantwell amendment to the committee substitute which is at the desk be agreed to; the committee substitute, as amended, be agreed to; the bill, as amended, be read a third time and passed; the motion to reconsider be laid upon the table with no intervening action or debate; and any statements relating to this matter be printed in the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment (No. 3884) was agreed to.

(The amendment is printed in today's RECORD under ''Text of Amendments.'')

The committee amendment in the nature of a substitute, as amended, was agreed to.

The bill (S. 924), as amended, was ordered to be engrossed for a third reading, was read the third time and passed, as follows:

S. 924

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Integrated Deepwater Program Reform Act''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

SEC. 2. PROCUREMENT STRUCTURE.

(a) IN GENERAL.—

(1) USE OF LEAD SYSTEMS INTEGRATOR.—Except as provided in subsection (b), the United States Coast Guard may not use a private sector entity as a lead systems integrator for procurements under, or in support of, the Integrated Deepwater Program more than 90 days after the date of enactment of this Act.

(2) FULL AND OPEN COMPETITION.—The United States Coast Guard shall utilize full and open competition for any other procurement for which an outside contractor is used under, or in support of, the Integrated Deepwater Program after the date of enactment of this Act, unless otherwise excepted in accordance with the Competition in Contracting Act of 1984 and the Federal Acquisition Regulations.

(b) EXCEPTIONS.—

(1) COMPLETION OF PROCUREMENT BY LEAD SYSTEMS INTEGRATOR.—Notwithstanding subsection (a), the Coast Guard may use a private sector entity as a lead systems integrator—

(A) to complete any delivery order or task order that was issued to the lead systems integrator on or before the date that is 90 days after the date of enactment of this Act without any change in the quantity of assets or the specific type of assets covered by the order;

(B) for procurements after the date that is 90 days after the date of enactment of this Act of, or in support of—

''(i) the HC–130J aircraft, the HH–65 aircraft, and the C4ISR system, and

(ii) National Security Cutters or Maritime Patrol Aircraft under contract or order for construction as of the date that is 90 days after the date of enactment of this Act,

if the requirements of subsection (c) are met with respect to such procurements; and

(C) for the procurement, or in support, of additional National Security Cutters or Maritime Patrol Aircraft if the Commandant determines, after conducting the alternatives analysis required by section 3, that—

(i) the procurement is in accordance with the Competition in Contracting Act of 1984 and the Federal Acquisition Regulations;

(ii) the procurement and the use of a private sector entity as a lead systems integrator for the procurement is in the best interest of the Federal government; and

(iii) the requirements of subsection (c) are met with respect to such procurement.

(2) AWARDS TO TIER 1 SUBCONTRACTORS.—The Coast Guard may award to any Tier 1 subcontractor or subcontractor below the Tier 1 level any procurement that it could award to a lead systems integrator under paragraph (1).

(3) REPORT ON DECISION-MAKING PROCESS.—If the Commandant determines under subparagraph (B) or C) of paragraph (1) that the Coast Guard will use a private sector lead systems integrator for a procurement, the Commandant shall notify in writing the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure of its determination and shall provide a detailed rationale for the determination.

(c) LIMITATION ON LEAD SYSTEMS INTEGRATORS.—Neither an entity performing lead systems integrator functions for a procurement under, or in support of, the Integrated Deepwater Program, nor a Tier 1 subcontractor, for any procurement described in subparagraph (B) or (C) of subsection (b)(1) may have a financial interest in a subcontractor below the tier 1 subcontractor level unless—

(1) the subcontractor was selected by the Coast Guard through full and open competition for such procurement;

(2) the procurement was awarded by the lead systems integrator or a subcontractor through full and open competition;

(3) the procurement was awarded by a subcontractor through a process over which the lead systems integrator or a Tier 1 subcontractor exercised no control; or

(4) the Commandant has determined that the procurement was awarded in a manner consistent with the Competition in Contracting Act of 1984 and the Federal Acquisition Regulations.

(d) RULE OF CONSTRUCTION.—The limitation in subsection (b)(1)(A) on the quantity and specific type of assets to which subsection (b) applies shall not be construed to apply to the modification of the number or type of any subsystems or other components of a vessel or aircraft described in subsection (b)(1)(B) or (C).

SEC. 3. ALTERNATIVES ANALYSIS.

(a) IN GENERAL.—Except with respect to a procurement described in subparagraph (A) or (B) of section 2(b)(1) of this Act, or a procurement for which a request for proposals consistent with the Federal Acquisition Regulations has been issued before the date of enactment of this Act, no procurement of a major asset may be awarded under the Integrated Deepwater Program after the date of enactment of this Act until an alternatives analysis has been conducted under this section.

(b) INDEPENDENT ANALYSIS.—As soon as possible, but no later than 120 days after the date of enactment of this Act, the Commandant shall execute a contract for an alternatives analysis with a Federally Funded Research and Development Center, a qualified entity of the Department of Defense, or a similar independent third party entity that has appropriate acquisition expertise for independent analysis of all of the proposed procurements under, or in support of, the Integrated Deepwater Program, including procurements described in section 2(b)(1)(B), and for any future major changes of such procurements. The Commandant may not contract under this subsection for such an analysis with any entity that has a substantial financial interest in any part of the Integrated Deepwater Program as of the date of enactment of this Act or in any alternative being considered.

(c) ANALYSIS.—The alternatives analysis provided pursuant to the contract under subsection (b) for procurements and feasible alternatives shall include—

(1) an examination of capability, interoperability, and other advantages and disadvantages;

(2) an evaluation of whether different quantities of specific assets could meet the Coast Guard's overall performance needs;

(3) a discussion of key assumptions and variables, and sensitivity to changes in such assumptions and variables;

(4) an assessment of technology risk and maturity;

(5) an evaluation of safety and performance records;

(6) a calculation of costs, including life-cycle costs; and

(7) a business case of viable alternatives.

(d) REPORT TO CONGRESS.—As soon as possible after an alternatives analysis has been completed, the Commandant shall develop a plan for the procurements addressed in the analysis, as well as procurements described in subsection (a) for which no alternatives analysis is required, and shall transmit a report describing the plan, and the schedule and costs for delivery of such procurements to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure.

(e) EXPERIMENTAL, TECHNICALLY IMMATURE SYSTEMS.—

(1) IN GENERAL.—No procurement of an experimental or technically immature major asset may be awarded under the Integrated Deepwater Program until an alternatives analysis has been conducted for such asset. The alternatives analysis shall include the same components as those set forth in subsection (c). In addition, the alternatives analysis shall also include—

(A) an examination of likely research and development costs and the levels of uncertainty associated with such estimated costs;

(B) an examination of likely production and deployment costs and the levels of uncertainty associated with such estimated costs;

(C) an examination of likely operating and support costs and the levels of uncertainty associated with such estimated costs;

(D) if they are likely to be significant, an examination of likely disposal costs and the levels of uncertainty associated with such estimated costs;

(E) an analysis of the risks to production cost, schedule, and life-cycle cost resulting from the experimental, technically immature nature of the systems under consideration; and

(F) such additional measures the Commandant determines to be necessary for appropriate evaluation of the asset.

(2) REPORT.—As soon as possible after an alternatives analysis pursuant to this subsection has been completed, the Commandant shall transmit a report that provides a detailed summary of the findings of the analysis, a plan for the procurements addressed in the analysis, and the schedule and costs for delivery of such procurements to the Senate Committee on Commerce, Justice, and Transportation and the House of Representatives Committee on Transportation and Infrastructure.

SEC. 4. CERTIFICATION.

(a) IN GENERAL.—After the date of enactment of this Act, a contract, delivery order, or task order exceeding $10,000,000 for procurement under, or in support of, the Coast Guard's Integrated Deepwater Program may not be executed by the Coast Guard until the Commandant certifies that—

(1) appropriate market research has been conducted prior to technology development to reduce duplication of existing technology and products;

(2) the technology has been demonstrated to the maximum extent practicable in a relevant environment;

(3) the technology demonstrates a high likelihood of accomplishing its intended mission;

(4) the technology is affordable when considering the per unit cost and the total procurement cost in the context of the total resources available during the period covered by the Integrated Deepwater Program;

(5) the technology is affordable when considering the ability of the Coast Guard to accomplish its missions using alternatives, based on demonstrated technology, design, and knowledge;

(6) funding is available to execute the contract, delivery order, or task order; and

(7) the technology complies with all relevant policies, regulations, and directives of the Coast Guard.

(b) LIMITATION.—Nothing in this section shall prevent the Coast Guard from executing contracts or issuing delivery orders or task orders, for research and development or technology demonstrations under, or in support of, the Integrated Deepwater Program.

(c) REPORT TO CONGRESS.—The Commandant shall transmit a copy of each certification required under subsection (a) to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure within 30 days after the completion of the certification.

SEC. 5. CONTRACT REQUIREMENTS.

The Commandant shall ensure that any contract, delivery order, or task order for procurement under, or in support of, the Integrated Deepwater Program executed by the Coast Guard after the date of enactment of this Act—

(1) addresses the recommendations related to award fee determination and award term evaluation made by the Government Accountability Office in its March, 2004, report entitled Coast Guard's Deepwater Program Needs Increased Attention to Management and Contractor Oversight, GAO–04–380, including the recommendation that any award or incentive fee be tied to program outcomes;

(2) addresses any subsequent Government Accountability Office recommendations that are issued at least 30 days prior to the execution of the contract, delivery order or task order when such recommendations are relevant to the contract terms;

(3) provides that certification of any Integrated Deepwater Program procurement for performance, safety, and other relevant factors determined by the Commandant will be conducted by an independent third party;

(4) does not include—

(A) provisions that commit the Coast Guard without express written approval by the Coast Guard; or

(B) any provision allowing for equitable adjustment that differs from the Federal Acquisition Regulations;

(5) meets the requirements of the Coast Guard Major Systems Acquisition COMDTINST Manual 5000.10(series); and

(6) for any contract, contract modification, or award term extending the existing Integrated Deepwater Program contract term—

(A) is reviewed by, and addresses recommendations made by, the Under Secretary of Defense for Acquisition, Technology, and Logistics through the Defense Acquisition

University in its Quick Look Study dated February 5, 2007; and

(B) does not include any minimum requirements for the purchase of a given or determinable number of specific assets.

SEC. 6. IMPROVEMENTS IN COAST GUARD MANAGEMENT.

(a) IN GENERAL.—As soon as practicable after the date of enactment of this Act, the Commandant shall take action to ensure that—

(1) the measures contained in the Coast Guard's report entitled Coast Guard: Blue Print for Acquisition Reform are implemented fully;

(2) any additional measures for improved management recommended by the Defense Acquisition University in its Quick Look Study of the United States Coast Guard Deepwater Program, dated February 5, 2007, are implemented;

(3) integrated product teams, and all higher-level teams that oversee integrated product teams, are chaired by Coast Guard personnel; and

(4) the Assistant Commandant for Engineering and Logistics is designated as the Technical Authority for all design, engineering, and technical decisions for the Integrated Deepwater Program.

(b) TRANSFER.—

(1) IN GENERAL.—Section 93(a) of title 14, United States Code, is amended—

(A) by striking ''and'' after the semicolon in paragraph (23);

(B) by striking ''appropriate.'' in paragraph (24) and inserting ''appropriate; and''; and

(C) by adding at the end thereof the following:

''(25) notwithstanding any other provision of law, in any fiscal year transfer funds made available for personnel, compensation, and benefits from the appropriation account 'Acquisition, Construction, and Improvement' to the appropriation account 'Operating Expenses' for personnel compensation and benefits and related costs necessary to execute new or existing procurements of the Coast Guard.''.

(2) NOTIFICATION.—Within 30 days after making a transfer under section 93(a)(25) of title 14, United States Code, the Commandant shall notify the Senate Committee on Commerce, Science, Transportation and Infrastructure, the Senate Committee on Appropriations, the House Committee on Transportation and Infrastructure, and the House Committee on Appropriations.

SEC. 7. DEPARTMENT OF DEFENSE CONSULTATION.

(a) IN GENERAL.—The Coast Guard shall make arrangements as appropriate with the Department of Defense for support in contracting and management of procurements under the Integrated Deepwater Program. The Coast Guard shall also seek opportunities to leverage off of Department of Defense contracts, and contracts of other appropriate agencies, to obtain the best possible price for Integrated Deepwater Program assets. No later than one year after the date of enactment of this Act, the Commandant of the Coast Guard shall provide a report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure on agreements and other arrangements concluded pursuant to this subsection.

(b) ASSESSMENT.—Within 180 days after the date of enactment of this Act, the Comptroller General shall transmit a report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure that—

(1) contains an assessment of current Coast Guard acquisition and management capabilities to manage procurements under or in support of the Integrated Deepwater Program;

(2) includes recommendations as to how the Coast Guard can improve its acquisition management, either through internal reforms or by seeking acquisition expertise from the Department of Defense; and

(3) addresses specifically the question of whether the Coast Guard can better leverage Department of Defense or other agencies' contracts that would meet the needs of the Integrated Deepwater Program in order to obtain the best possible price.

SEC. 8. PROCUREMENT AND REPORT REQUIREMENTS.

(a) PROCUREMENT SCHEDULES.—

(1) BUDGET JUSTIFICATION DOCUMENTS.—Each calendar year, not later than 45 days after the President submits the budget to Congress under section 1105 of title 31, United States Code, the Commandant shall submit to Congress budget justification documents regarding development and procurement schedules for each asset of the Integrated Deepwater Program for which any funds for procurement are requested in that budget.

(2) REQUIRED DOCUMENTS.—The budget justification documents required to be submitted under paragraph (1) for each asset for which funds for procurement are requested in the budget include—

(A) the development schedule for each asset and asset class, including estimated annual costs until development is completed;

(B) the procurement schedule for each asset and asset class, including estimated annual costs and units to be procured until procurement is completed;

(C) any variances in schedule or cost from the schedule and costs described in the plan submitted under section 3(d); and

(D) a projection of the remaining operational lifespan of each legacy asset and projected costs for sustaining such assets.

(b) QUARTERLY STATUS UPDATE.—The Commandant shall provide an update on the status of the Integrated Deepwater Program to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure at the beginning of the first full fiscal year quarter after the date of enactment of this Act, and at the beginning of each subsequent fiscal year quarter.

(c) REPORTING ON COST OVERRUNS AND DELAYS.—

(1) REPORT REQUIRED.—The Commandant shall submit a report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure as soon as possible, but not later than 30 days after the Deepwater Program Executive Officer becomes aware of—

(A) a likely cost overrun greater than 10 percent of the program acquisition unit cost, the procurement unit cost, or the life cycle cost of an individual asset or a class of assets under the Integrated Deepwater Program; or

(B) a likely delay of more than 6 months in the delivery schedule for any individual asset or class of assets under the Integrated Deepwater Program.

(2) REQUIRED CONTENT.—The report shall include—

(A) a detailed explanation for the variance or delay;

(B) the current program acquisition unit cost and the complete history of changes to that cost from the schedule and costs described in the plan submitted under section 3(d);

(C) the current procurement unit cost and the complete history of changes to that cost from the schedule and costs described in the plan submitted under section 3(d); and

(D) a full life-cycle cost analysis for each asset or class of assets for which a report is being submitted under paragraph (1).

(3) SUBSTANTIAL VARIANCES IN COSTS OR SCHEDULE.—If a likely cost overrun is greater than 20 percent or a likely delay is greater than 12 months from the schedule and costs described in the plan submitted under section 3(d) or, if the plan has been revised, from the schedule and costs described in the revised plan, the Commandant shall include in the report required under paragraph (1) a written certification, with a supporting explanation, that—

(A) the asset or asset class is essential to the accomplishment of Coast Guard missions;

(B) there are no alternatives to such asset or asset class which will provide equal or greater capability in a more cost-effective and timely manner;

(C) the new estimates of the program acquisition unit cost or procurement unit cost are reasonable; and

(D) the management structure for the acquisition program is adequate to manage and control program acquisition unit cost or procurement unit cost.

(4) CERTIFIED ASSETS AND ASSET CLASSES.—If the Commandant certifies an asset or asset class under paragraph (3), the requirements of this subsection shall be based on the new estimates of cost and schedule contained in that certification.

(5) DEFINITIONS.—In this subsection:

(A) LIFE-CYCLE COST.—The term ''life-cycle cost'' means all costs for development, procurement, construction, and operations and support for a particular asset, without regard to funding source or management control.

(B) PROCUREMENT UNIT COST.—The term ''procurement unit cost'' means the amount equal to the total of all funds programmed to be available for obligation for procurement of a given asset class divided by the number of assets to be procured.

(C) PROGRAM ACQUISITION UNIT COST.—The term ''program acquisition unit cost'' means the amount equal to the total cost for development, procurement, and construction for each class of assets divided by the total number of assets in each class.

(d) PATROL BOAT REPORT.—Not later than 90 days after the date of enactment of this Act the Commandant shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report on how the Coast Guard plans to manage the annual readiness gap of lost time for 110-foot patrol boats from fiscal year 2008 through fiscal year 2014. The report shall include—

(1) a summary of the patrol hours that will be lost due to delays in replacing the 110-foot cutters and reduced capabilities of the 110-foot cutters that have been converted;

(2) an identification of assets that may be used to alleviate the annual readiness gap of lost time for such patrol boats;

(3) a projection of the remaining operational lifespan of the 110-foot patrol boat fleet;

(4) a description of how extending through fiscal year 2014 the transfer agreement between the Coast Guard and the United States Navy for 5 Cyclone class 179-foot patrol coastal ships would effect the annual readiness gap of lost time for 110-foot patrol boats; and

(5) an estimate of the cost to extend the operational lifespan of the 110-foot patrol

boat fleet for each of fiscal years 2008 through 2014.

(e) REPORT ON C4ISR.—Not later than 90 days after the date of enactment of this Act, the Commandant shall submit to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure a report on the manner in which the Coast Guard is resolving the problems and responding to the recommendations contained in the August 2006 Department of Homeland Security Inspector General Report entitled Improvements Needed in the Coast Guard's Acquisition and Implementation of Deepwater Information Technology Systems.

(f) AMENDMENT OF 2006 ACT.—Section 408(a) of the Coast Guard and Maritime Transportation Act of 2006 is amended—

(1) by striking paragraphs (1) and (3); and

(2) by redesignating paragraphs (2) and (4) through (8) as paragraphs (1) through (6), respectively.

SEC. 9. GAO REVIEW AND RECOMMENDATIONS.

(a) AWARD FEE AND AWARD TERM CRITERIA.—The Coast Guard shall consult with the Comptroller General to ensure that the Government Accountability Office's recommendations, in its March, 2004, report entitled Coast Guard's Deepwater Program Needs Increased Attention to Management and Contractor Oversight, GAO–04–380, and any subsequent Government Accountability Office recommendations with respect to award fee and award term criteria will be addressed to the maximum extent practicable in any contract, delivery order, or task order or extension of the existing contract for procurement under or in support of the Integrated Deepwater Program entered into after the date of enactment of this Act.

(b) OTHER RECOMMENDATIONS.—The Commandant shall ensure that all other recommendations in that report, and any subsequent recommendations issued before March 1, 2007, are implemented to the maximum extent practicable by the Coast Guard within 1 year after the date of enactment of this Act, and implement subsequent recommendations to the maximum extent practicable as they arise.

(c) GAO REPORTS ON IMPLEMENTATION.—Beginning 6 months after the date of enactment of this Act, the Comptroller General shall submit an annual report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure on the Coast Guard's progress in implementing the provisions of this Act, the Government Accountability Office's recommendations, in its March, 2004, report entitled Coast Guard's Deepwater Program Needs Increased Attention to Management and Contractor Oversight, GAO–04–380, and any subsequent Government Accountability Office recommendations issued before March 1, 2007.

SEC. 10. INSPECTOR GENERAL REVIEW OF DEEPWATER PROGRAM.

Not later than 240 days after the date of the enactment of this Act, the Inspector General of the Department of Homeland Security shall submit to the Secretary, and to Congress, a report on the acquisition of assets under the Deepwater program. The report shall include—

(1) a description of each decision, if any, of the Coast Guard or Integrated Coast Guard Systems relating to the acquisition of assets under the Deepwater program that directly or indirectly resulted in cost overruns or program cost increases to the United States;

(2) an assessment whether any decision covered by paragraph (1) violated the terms of the contract of Integrated Coast Guard Systems for the Deepwater program;

(3) an assessment of how much program costs under the Deepwater program have increased as a result of any such decision; and

(4) an assessment of whether the Coast Guard or Integrated Coast Guard Systems is responsible for the payment of any cost overruns associated with any such decision.

SEC. 11. DEFINITIONS.

In this Act:

(1) COMMANDANT.—The term ''Commandant'' means the Commandant of the United States Coast Guard.

(2) INTEGRATED DEEPWATER PROGRAM.—The term ''Integrated Deepwater Program'' means the Integrated Deepwater Systems Program described by the Coast Guard in its Report to Congress on Revised Deepwater Implementation Plan, dated March 25, 2005, including any subsequent modifications, revisions, or restatements of the Program.

(3) PROCUREMENT.—The term ''procurement'' includes development, production, sustainment, modification, conversion, and missionization.

ENERGY BILL SIGNING

Mr. REID. Mr. President, I just returned from the White House for the signing of the Energy bill. It is important to note Senator CANTWELL was not at the signing but how important she was. She is not a committee chair, but she was extremely valuable in everything we did getting that Energy bill passed. She was instrumental in working out a number of disputes keeping the bill from passing. But with her hard work, when she focuses on something, it really helps a lot. I have had experience with her in the past. Her work on the Energy bill was extremely invaluable. I appreciate her help very much.

NATIONAL RESERVIST AND VETERAN SMALL BUSINESS REAUTHORIZATION AND OPPORTUNITY ACT OF 2007

Mr. REID. Mr. President, I ask unanimous consent that the Small Business and Entrepreneurship Committee be discharged from further consideration of S. 1784 and the Senate then proceed to its immediate consideration.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 1784) to amend the Small Business Act to improve programs for veterans, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. KERRY. Mr. President, a few months ago, I introduced the Military Reservist and Veteran Small Business Reauthorization and Opportunity Act. As the chairman of the Senate Committee on Small Business and Entrepreneurship, I was gratified that I was able to work with Ranking Member Senator SNOWE on behalf of this Nation's veterans. I was also pleased that this bill was added by unanimous consent as an amendment to the Department of Defense Authorization, although disappointed when the final House-Senate negotiated compromise did not make it as part of the final bill.

In November, Senator SNOWE and I sought to pass this bill in the Senate only to meet with objections from my respected colleague from Oklahoma. I am pleased to say that Senator COBURN has worked with me in good faith and that we have reached an agreement that addresses his concerns. We have sought to protect the language that the House and Senate agreed upon and done our utmost to improve the resources that are available to our Nation's veterans. Although this bill is not perfect or exactly as I may have envisioned, it is an important step forward in supporting the American dream of business ownership for veterans and reservists.

Passing these provisions into law has been one of my highest priorities since becoming chairman of the Committee on Small Business and Entrepreneurship in January. My first hearing as chairman was devoted to veteran small business issues, and this bill arises directly from the complaints that we heard there. America's veterans and reservists have sacrificed enough in fighting for our country; they shouldn't have to sacrifice their jobs and their livelihoods when they come home.

There are 25 million veterans in this country. In the last 4 years, alone, nearly 600,000 veterans have returned from serving in Iraq and Afghanistan. Roughly 56 percent are reserve and National Guard members, who continue to serve this Nation at unprecedented levels. This is taking a toll not just on their families, but on their businesses as well. We are in an era where employers do not want to hire reservists because they know they will be called up for lengthy deployments. At a Small Business Committee hearing on veterans' issues earlier this year, one of the witnesses raised concerns about a lack of employer support for reservists due to the new policy that allows reservists to be called up for a second tour of 24 months.

I am also deeply concerned that recently discharged veterans have a higher unemployment rate—double that of their civilian counterparts. In addition, the number of service disabled veterans is increasing—167,000 discharged between 2002 and 2005— and their self-employment rate is lower than the national average.

This bill is a first step in addressing these concerns and it builds on important lessons we learned from Vietnam, not to leave another generation of veterans behind.

The Military Reservists and Veteran Small Business Reauthorization and Opportunity Act of 2007 takes a number of steps to improve the Government's role in supporting our veterans. Specifically, it reauthorizes the veteran programs in the Small Business Administration. This legislation increases the funding authorization for the Office of Veteran Business Development from

$2 million today to $2.3 million over 2 years. In light of the large numbers of veterans returning from Iraq and Afghanistan and increased responsibilities placed on this office by Executive Order 13360, it is high time that the Office of Veteran Business Development receive the funding levels that it needs.

The bill also creates an Interagency Task Force to improve coordination between agencies in administrating veteran small business programs. One of the biggest complaints that our committee heard at the ''Assessing Federal Small Business Assistance Programs for Veterans and Reservists'' hearing held on January 31 was that Federal agencies do not work together in reaching out to veterans and informing them about small business programs. This task force is an attempt to improve that. The task force will focus on increasing veterans' small business success, including procurement and franchising opportunities, access to capital, and other types of business development assistance.

This bill also permanently extends the SBA Advisory Committee on Veterans Business Affairs. The committee was created to serve as an independent source of advice and policy recommendations to the SBA, the Congress, and the President. The veteran small business owners who serve on this committee provide a unique perspective which is sorely needed at this challenging time. Unfortunately, continuing uncertainty about the committee's future has, at times, distracted the committee from focusing on its core function. Therefore, I have called for its permanent extension. It is clear to me that more needs to be done to address the issues facing veterans and reservists, and the role this committee plays will continue to be important.

Additionally, I have taken a number of steps to better serve the reservists who are serving their country abroad while their businesses are suffering at home. Over the past decade, the Department of Defense has increased its reliance on the National Guard and reserves. This has intensified since September 11 and increased deployments are expected to continue. The effect of this increase on reservists and small businesses continues to remain of concern. A 2003 GAO report indicated that 41 percent of reservists lost income when mobilized. This had a higher effect on self-employed reservists, 55 percent of whom lost income.

In 1999, I created the Military Reservist Economic Injury Disaster Loan, MREIDL, program to provide loans to small businesses that incur economic injury as a result of an essential employee being called to active duty. However, since 2002, fewer than 300 of these loans have been approved by the SBA, despite record numbers of reservists being called to active duty. It is clear that changes need to be made, so that reservists are informed about the availability of the MREIDL program and that the program better meets their needs. At the hearing on January 31, we heard suggestions for a number of changes which would improve the Military Reservist Economic Injury Disaster Loan program, and I have included those changes in this bill. They include increasing the application deadline for such a loan from 90 days to 1 year following the date of discharge; creating a predeployment loan approval process; and improved outreach and technical assistance.

This bill also increases to $50,000 the amount SBA can disburse without requiring collateral under the MREIDL program. Reservist families have already sacrificed enough when a family member goes away to serve their country and when their business is harmed as a result. This loan program would allow reservist dependent businesses to access the capital they need to stay afloat without having to sacrifice beyond the service of the key employees. In order to give reservists time to repay the loans, the non-collaterized loan created in this bill would not accumulate interest or require payments for one year or until after the deployment ends, whichever is longer.

There are two more provisions which will help this Nation's service members. One section of the bill will require the SBA to give priority to MREIDL loans during loan processing. Another provision will give activated servicemembers an extension of any SBA time limitations equal to the time spent on active duty. This will make it easier for service members to serve their country while continuing to meet their obligations at home.

Lastly, this bill calls for two reports. One report will look at the needs of service-disabled veterans who are interested in becoming entrepreneurs. As a result of the war on terror and improved medicine, we are seeing more service-disabled veterans than we have seen in decades. For some service-disabled veterans, entrepreneurship is the best or only way of achieving economic independence. Therefore, it is essential that we understand and take steps to address the needs of the service-disabled veteran entrepreneur or small business owner.

This bill also calls for a study to investigate how to improve relations between reservists and their employers. In January, the committee heard that recent changes by the Department of Defense to policies regulating the length and frequency of reservist deployments is harming the ability of reservists to find jobs and the ability of small business owners to continue hiring them. Understanding more about this issue is important and essential to making sure that policymakers can continue to support citizen soldiers and the small businesses that employ them.

The bill also includes a number of other important provisions that were added by the House. For instance, this bill includes language directing the Office of Veterans Business Develop to increase the number of Veterans Business Outreach Centers and requires them to improve their participation in the Transition Assistance Program. This bill also creates a program reducing 7(a) loan fees for veterans, improves Small Business Development Centers outreach to the veteran community and instructs the Associate Administrator of the Office of Veterans Business Development to create and disseminate information aimed at informing women veterans about the resources available to them. I am pleased that the House and Senate were able to come to an agreement on these provisions.

Veterans possess great technical skills and valuable leadership experience, but they require financial resources and small business training to turn that potential into a viable enterprise. A recent report by the Small Business Administration stated that 22 percent of veterans plan to start or are starting a business when they leave the military. For service-disabled veterans, this number rises to 28 percent.

We owe veterans and reservists more than a simple thank you for their service. The least we can do is provide critical resources to help them start and grow small business and to hold Federal agencies accountable. That is what our bill does.

Ms. SNOWE. Mr. President, I rise today to once again urge my colleagues to support passage of S. 1784, the Military Reservist and Veteran Small Business Reauthorization and Opportunity Act of 2007, offered by Senator KERRY and me, chair and ranking member of the Senate Committee on Small Business and Entrepreneurship. I have spoken about this bill on multiple occasions because it is truly critical that our fellow colleagues, in each Chamber and both sides of the aisle, continue to collaborate on our veterans' behalf and support swift passage of this legislation. This bipartisan legislation contains key provisions from both S. 904, the Veterans Small Business Opportunity Act of 2007, which I introduced in March, and Senator KERRY's S. 1005, Military Reservist and Veteran Small Business Reauthorization Act of 2007.

This legislation would have an immediate impact on our men and women fighting around the globe for the freedoms we enjoy every day. First, our bill makes vast improvements to the Small Business Administration's, SBA, Military Reservist Economic Disaster Loan, MREIDL, program. The MREIDL program provides funds to businesses to meet ordinary and necessary business expenses that they could have made, if not for the deployment of a reservist who is one of their essential employees.

Specifically, the bill establishes a pre-application process so businesses can be prepared, in advance, to apply for an MREIDL and includes a provision allowing businesses up to one year, as opposed to 90 days, to apply. The legislation increases, from $1.5 million to $2 million, the maximum

MREIDL loan a business can take and raises, from $5,000 to $50,000, the level of uncollateralized MREIDL loans available to businesses. Finally, our changes to the MREIDL program would allow the SBA administrator to defer the payment of principal and interest while the employee is deployed.

The bill would also create a new interagency task force to coordinate the efforts of Federal agencies necessary to increase capital and business development opportunities for, and increase the award of Federal contracting opportunities to, small businesses owned and controlled by veterans. This type of coordinated and targeted effort by our Federal Government is long overdue.

Additionally, today's legislation would increase funding for the SBA's Office of Veterans Business Development, and permanently extend the duties and responsibilities of the SBA Advisory Committee on Veterans Business Affairs. It would also allow small businesses owned and operated by veterans to extend their SBA program participation time limitations by the duration of their owner's deployment.

While I have not provided an exhaustive list of this bill's provisions and all that it would do, a simple review of the legislation will reveal that it goes far toward helping our Nation's veteran entrepreneurs and our patriotic small businesses that employ reservists, despite the risk that deployments entail. To that end, I once again urge my colleagues to join us in support of this bill.

Mr. REID. I understand there is a substitute amendment at the desk. I ask unanimous consent that the Coburn amendment at the desk be considered agreed to; the substitute, as amended, be agreed to; the bill, as amended, be read a third time, and the Senate then proceed to H.R. 4253, which is at the desk; that all after the enacting clause be stricken and the text of S. 1784, as amended, be inserted in lieu thereof; that the bill be advanced to third reading, passed, and the motion to reconsider be laid on the table; that any statements relating to this matter be printed in the RECORD without further intervening action or debate; and that S. 1784 then be placed on the calendar.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment (No. 3886) was agreed to, as follows:

On page 4, line 25, strike ''increase'' and all that follows through ''opportunities to'' on page 5, line 2, and insert ''improve capital and business development opportunities for, and ensure achievement of the pre-established Federal contracting goals for''.

On page 5, line 10, after the semicolon, add ''and''.

On page 5, line 22, strike ''; and'' and insert a period.

On page 5, strike lines 23 through 25.

On page 6, strike line 1 and all that follows through page 7, line 16, and insert the following:

''(3) DUTIES.—The task force shall—

''(A) consult regularly with veterans service organizations and military organizations in performing the duties of the task force; and

''(B) coordinate administrative and regulatory activities and develop proposals relating to—

''(i) improving capital access and capacity of small business concerns owned and controlled by service-disabled veterans and small business concerns owned and controlled by veterans through loans, surety bonding, and franchising;

''(ii) ensuring achievement of the pre-established Federal contracting goals for small business concerns owned and controlled by service-disabled veterans and small business concerns owned and controlled by veterans through expanded mentor-protégé assistance and matching such small business concerns with contracting opportunities;

''(iii) increasing the integrity of certifications of status as a small business concern owned and controlled by service-disabled veterans or a small business concern owned and controlled by veterans;

''(iv) reducing paperwork and administrative burdens on veterans in accessing business development and entrepreneurship opportunities;

''(v) increasing and improving training and counseling services provided to small business concerns owned and controlled by veterans; and

''(vi) making other improvements relating to the support for veterans business development by the Federal Government.

On page 9, strike line 13 and all that follows through page 10, line 8, and insert the following:

''(e) WOMEN VETERANS BUSINESS TRAINING.—The Associate Administrator shall—

''(1) compile information on existing resources available to women veterans for business training, including resources for—

''(A) vocational and technical education;

''(B) general business skills, such as marketing and accounting; and

''(C) business assistance programs targeted to women veterans; and

''(2) disseminate the information compiled under paragraph (1) through Veteran Business Outreach Centers and women's business centers.''.

On page 11, strike line 10 and all that follows through page 20, line 23, and insert the following:

SEC. 201. VETERANS ASSISTANCE AND SERVICES PROGRAM.

On page 22, between lines 10 and 11, insert the following:

SEC. 202. DISASTER LOANS.

Section 7(b)(3) of the Small Business Act (15 U.S.C. 636(b)(3)) is amended—

(1) in subparagraph (E), by striking ''unless'' and all that follows and inserting a period; and

(2) by inserting after subparagraph (I), the following:

''(J) There shall be reasonable assurance that a loan recipient under this paragraph can repay the loan of personal or business cash flow.''.

On page 22, line 21, strike ''waive'' and all that follows through ''date'' on line 23 and insert ''extend the ending date specified in the preceding sentence by not more than 1 year''.

On page 24, line 4, strike ''shall'' and insert ''may''.

On page 32, between lines 9 and 10, insert the following:

(d) ADDITIONAL STUDY.—Not later than 180 days after the date of enactment of this Act, the Office of Advocacy of the Administration shall submit to Congress a report describing—

(1) the barriers in place arising from Federal regulations for veterans who wish to become entrepreneurs;

(2) the barriers in place arising from the tax code for veterans who wish to become entrepreneurs; and

(3) any recommendations for how best to eliminate those barriers to better assist current or prospective veteran small business owners.

The substitute amendment (No. 3885), as amended, was agreed to.

(The amendment is printed in today's RECORD under ''Text of Amendments.'')

The bill was ordered to be engrossed for a third reading and was read the third time.

The bill (H.R. 4253), as amended, was ordered to be read a third time, was read the third time and passed.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The minority leader is recognized.

YEAR-END LEGISLATIVE WRAP-UP

Mr. MCCONNELL. Mr. President, last night, when everybody was rushing around in the well during the last vote and wishing each other a Merry Christmas, I was reminded of something Senator LOTT said yesterday morning. He told us not to forget that we all have normal lives and families to get home to and the same basic concerns in life as everybody else; and that if we forget that, then this body is in serious trouble.

It is in that spirit that I would like to wrap up the year in pretty much the same way I tried to open it, by urging a little more cooperation and civility. About a year ago now, I called on my colleagues from both sides of the aisle to take advantage of the rare opportunity divided government gave us to tackle big issues on a bipartisan basis. Beyond that, I said Republicans had a few basic priorities: keeping Americans safe and secure, protecting their basic freedoms, protecting their wallets, and spending their money wisely. I said we would not hesitate to ensure these priorities by shaping worthy legislation or by blocking legislation that would undermine them.

Looking back on the year, I think we have been pretty successful at it.

Early on, Democrats presented us with a minimum wage bill that undermined small businesses, and it did not pass. When they agreed to include a tax break, it sailed through by a vote of 94–3. We shaped that one.

A little later, Democrats gave us an energy conservation bill that would have led to higher taxes, and it did not pass. When they agreed to remove the tax hikes 6 months later, it passed easily, 86–13. We shaped that one.

Then they offered to extend a ban on the AMT middle-class tax hike for 1 more year, but to cover the cost by imposing a new tax on the same 23 million Americans who are about to be

whacked by it. The AMT was never meant to hit middle-class families, so a new tax to pay for the mistake was plainly unfair. When Democrats finally took it out, the AMT fix passed the Senate 88–5. We shaped that one.

Again and again, we have insisted the minority be heard and, in the end, we were. We have shaped a lot of legislation this year to ensure that Republican priorities were addressed. We are proud of it.

We have also stopped a lot of things that we thought would undermine our security.

The most prominent example, of course, is Iraq. After last night, Senate Democrats had held 34 votes this year related to the war in Iraq. And on every one that either attempted to substitute our judgment for the judgment of our commanders or cut off funds for our men and women in the field, we prevailed.

So we have shaped a lot of things we thought were worthy, things like the AMT fix and the energy conservation bill. And we have proudly blocked some things that we thought were just bad ideas altogether, like pulling our troops out of Iraq before the Petraeus Plan had time to take hold.

But our intention from the start was always, if possible, to avoid confrontation as an end unto itself. The history books are filled with examples of the things Congress achieved when opposite parties controlled the White House and the Congress. That was always our first option.

Unfortunately, our friends seemed intent on forcing votes all year, whether they be on Iraq or any number of domestic issues, that never had a chance of either passing the Senate or of becoming law. The practical effect, of course, is that very little would get accomplished in the end.

But it didn't have to be that way. On the bills I have mentioned, Democrats had a choice: they could have presented us first with the version they knew we could cooperate on. Or, as we saw all too often, they could present us with a partisan bill that could only serve them as a talking point. When they chose the former, we racked up some serious accomplishments together.

Over the last week, we have seen this kind of cooperation work on the energy conservation bill and on the AMT.

I have actually enjoyed working with the distinguished majority leader all year. I won't be the first person to remark that he has a tough job. But he has shown a lot of patience this year, and he has put up with a lot. So I want to thank him for his collegiality and his friendship.

I also want to thank him once again for speaking to the students at the McConnell Center in Louisville in October. It meant a lot to the students, and it meant a lot to me. A lot of people seem surprised when I tell them the last two Senators I have had speak at the center are Senator KENNEDY and Senator REID.

All of us were put here by voters with vastly different backgrounds who hold vastly different views. And the fact that we can work together and pass legislation that covers every one of them is really the glory of this institution and this country. But we will never be able to do that if we are not gentlemanly and respectful. TRENT had it right. We can't lose sight of the important things.

In that spirit, I thank all of our colleagues and staffs on both sides of the aisle, Republicans and Democrats, for all the sacrifices they have made this year and for all the grief they took from their constituents, their wives, their husbands, and their kids for living the kind of life we all live in this fishbowl. I know a lot of them are on their way home at the moment. I am glad they are. I must say I am not far behind. But I do want to wish them all a very warm, happy, and Merry Christmas with their families.

I might say to my good friend the majority leader and to all of our colleagues, we are looking forward to a month off and then looking forward to getting back together at the end of January to see what we can accomplish next year for the American people.

I yield the floor.

The ACTING PRESIDENT pro tempore. The majority leader.

Mr. REID. Mr. President, I have a statement I will give later in the day about what we have done this year. But I want to take this opportunity to reciprocate with the kind words the distinguished Republican leader said on my behalf.

Without in any way taking away from the opportunities we have, Senator MCCONNELL and I, as being Democratic and Republican leaders of the Senate, the majority and minority leaders of the Senate, these are wonderful opportunities, honors neither one of us would ever imagine we would have. I have been in government a long time, as has my friend the Republican leader. We both recognize that we have to set an example for the rest of the body in patience, in cordiality, and being gentlemen and friends to each other. I think we have done that.

We have gone through some difficult times, criticized not each other personally but as to what has taken place there has been criticism. That will continue, and there is nothing wrong with that. I would like to say my criticism is constructive in nature, and I hope that is how I take any criticism that I get from the other side.

We have a lot to do next year. Next year will actually be more difficult than this year because we will be in the midst of a Presidential election. For me, though, I will have three Democratic Senators back working full time. That will be very pleasant. We will not have to try to arrange the schedule for all four of them.

Scheduling is hard because the Senate has changed over the years, even since I have been here. Schedules are now a lot determined by airplane schedules, not Senate schedules. But on the one hand, when Senators are forced to think about having to be here and not do their fundraising over a weekend, or going back to their States, we tend to get a lot done. We have had to, on occasion—several occasions this year—say we are going to have to be in on the weekend, but with the exception of one weekend, or maybe two weekends, we were able to get the same amount of work done had we stayed here all weekend.

So, again, I say to my friend, the Senator from Kentucky, the Republican leader, we have a lot to look forward to next year. We are going to see a new President to replace President Bush. We hope that will create, in the last year of President Bush's term, more cordiality between the two of us.

I have a meeting later today with the President's Chief of Staff. I hope that will bear fruit. One of the things we have to work on is to try to not have to be in session during the entire next month. We have Senators lined up to cover that. I hope we can work something out with the White House so that is not necessary because there is a significant number of Democratic nominations and a large number of Republican nominations we would like to clear. Hopefully, we can do that later today.

So I will be back later, but I do want to express my appreciation for the kind words and thoughts of my friend, the Senator from Kentucky.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period of morning business, with Senators permitted to speak for up to 10 minutes each, and that the Senator from Rhode Island, Mr. REED, will be recognized for up to 30 minutes.

The Senator from Wyoming.

THANKING THE MAJORITY AND REPUBLICAN LEADERS

Mr. ENZI. Mr. President, I thank our leaders for getting together and working things out so we were able to conclude our votes late last night and begin the Christmas recess. It was a relief to many to know they were not going to be here through Christmas due to complications that could arise from airplanes. Today, though, I am going to talk about something that is completely different.

TRIBUTE TO KATHERINE MCGUIRE

Mr. ENZI. Mr. President, I am joined on the floor by Katherine McGuire,

who is the staff director of the Health, Education, Labor, and Pensions Committee. This will be her last time on the floor of the Senate.

It was just about 11 years ago when I first came to Washington to serve the people of Wyoming in the Senate. As soon as I arrived, the first item on my agenda was to start to put staff together. I knew it was an important first step because the key to whatever success we are able to achieve is always due in large part to the dedicated and loyal people who work with us and for us.

In addition, that first staff is so important to a new Senator because our staffs help to set the tone for that first Congress and the beginning of every Senate career. It is true that in the end, you are only as good and effective as the people with whom you work and for whom you work—as it turns out sometimes.

Now, I talked to everyone I could. I went through a mountain of resumes and slowly but surely began to make some progress. In a short week, I went through orientation—with the leadership of my wife, we bought a house—and I interviewed over 100 people for my staff.

As I reviewed the credentials of an impressive group of applicants, I knew I would need someone to head up my staff who knew Wyoming. That meant I would need to find someone who had Wyoming roots and understood the needs of my home State. In addition, that person would need to know Washington and the Senate and how to help me and the rest of the staff get things done. I knew it would not be good enough to work hard if that hard work and determination did not produce the results that we were after.

It would not be easy to find someone who was equally at home in both Wyoming and Washington, but when I had those qualifications in mind and started looking for such a person, one candidate rose to the top. That was Katherine McGuire, and she was clearly the best and most obvious choice for the job.

She had committee experience as well as State staff experience. She also had a master's degree in agricultural economics. I represent an agricultural State, and I knew I would need that help. She helped to fuel expectations, which we were then able to meet. It is with a lot of pride that I have been inducted into the Wyoming Agricultural Hall of Fame, largely because of her efforts.

Now, I would never forget those early days. As is true with all Senators, our first office consisted of one room. It was actually a storeroom for the credit union. That cramped space helped us to develop a strong sense of teamwork right from the start because we were all in the same room and everybody knew what everyone else was doing.

Now, fortunately, Katherine was there at the helm, and she helped to direct the efforts of my legislative staff right from the start. She was able to do so because she is a natural leader. She leads the best way, and that is by example. People on my staff know they can approach her with any ideas or suggestions they have, confident she will hear them out and help them with whatever issue areas they have been assigned.

Thanks to Katherine, we were able to accomplish a great deal during my first few years in the Senate. In more sessions than I could ever count, Katherine showed she was a great negotiator and an even better strategist. She is the best networker I have ever seen.

Her competitive spirit began to show itself in high school in her play on the basketball team. It then expanded in college, and then blossomed when she played professionally in Europe. You do not want to try to rebound an issue with her.

Then, when the opportunity came to chair the Senate Committee on Health, Education, Labor, and Pensions, once again, I knew I would need to put someone in charge of my committee staff who could handle the responsibility and the opportunity we would have to take action on some issues of great importance not only to the people of Wyoming but to the rest of America as well. Once again, it did not take very long for me to feel certain that Katherine was the perfect choice for the committee staff director position.

On the committee or on my personal staff, Katherine has proven herself time and time again, and over the years she has made a difference in my work on a long list of topics that have come to the Senate floor. It would be impossible to name them all.

I want to mention my first big bill, though. It was drafted to keep Washington bureaucrats from being successful in their determination to make methane gas into a solid, which, of course, would have taken away royalties from property owners and even forced them to pay back back-royalties. In my first year, in less than a month, the correction was passed by both the Senate and the House unanimously. That meant that Katherine, my team, and I had to talk to 535 Members in Congress in less than a month to get that result.

It was interesting later to watch the Supreme Court use that bill as a basis for back payments to these same people. We could not do anything to solve anything before the legislation was passed because you have to look to the future.

So that was our first big win, and, fortunately, more was to come, as Katherine headed up my team effort. I will just mention a few: the global HIV/AIDS law, the Sarbanes-Oxley Act, the new MINER law to protect miners of this country, the new Food and Drug Administration reform law, the Pension Protection Act, and a host of other successful bills that were signed into law. For every one of them, Katherine was always there putting in long and extended hours, providing clear, accurate leadership and advice and doing everything she could to make our team vision come true.

Whenever I get the chance, I like to tell people who ask about my staff that I was very fortunate to hire the people I did. In fact, I still think that if staff work was an Olympic event, my staff would win the gold medal—and Katherine would be the most valuable player.

Katherine was a natural fit for the captain of the team—a role she has played very well. She is proof of the wisdom of the old adage that a good captain makes everyone on the team better. Katherine has been such a good leader because she has always been willing to do what was necessary to ensure a successful outcome. She has an unusual amount of abilities and talents, and an overdose of persistence that has helped her to get things done. She has never been one to talk about what she would like to accomplish; she just takes action.

In the West, we like to say she rides hard. That has helped her to earn the respect and appreciation of not only my staff but all of the staffs she has worked with and developed close ties to over the years.

I have always believed in something called the 80 percent rule. I was not surprised to discover that Katherine understood my 80 percent rule so well because she had put it into practice long ago without even knowing the name. She knew that 80 percent of every issue can be brought to agreement. People usually are willing to accept 80 percent instead of nothing. It is the other 20 percent that is difficult to resolve. But by focusing on the 80 percent, impossible problems become possible and can be solved around here.

Katherine was also there to help support my vision to look for and find the third way in dealing with conflicts. Her philosophy has always been fashioned after the old adage: We will either find a way or make one. That attitude has always served to help her bring groups to the table to reach compromises that seemed unlikely at best.

Now Katherine has decided to leave the Hill to take on another challenge in her professional life. Katherine knows that life is an adventure, and constant change is a good thing. Now she will be moving to a new place to help spread our message.

As she leaves, I cannot thank her enough for all she has done for me and for Wyoming over the years. She has been a tireless worker, and she has never hesitated to roll up her sleeves and get to work whenever and wherever she was needed.

I remember one long evening on the Senate floor. During my speech, in thanking people at the end, I mentioned that Katherine was an excellent juggler, referring to her ability to handle many tasks at the same time. Her

daughter was watching on C–SPAN2 and said: I didn't even know Mom could juggle.

Being a legislative director and a staff director has cost her a lot of time from home. But she has been able to work her family life into her work schedule as the top priority that it needs to be. Now she will have more time to spend with her own team at home that needs her love and attention. Her husband David, along with her children Ellie and Cooper, have all been very supportive during her Senate years. She is now going to try something new, and once again her family will be there for her, supporting her, and providing the assistance she will continue to need as she pursues her new career.

It will be difficult to say goodbye to Katherine. When she leaves the Senate, she will be greatly missed. Someday soon, we will have found someone to take on the responsibilities that she leaves behind, but we will never be able to replace her. Her constant warm and genuine smile, her concern for all the people on her staff, and her unique ability to size up a political situation immediately upon contact—unmatched. She has been a tremendous addition to my personal and committee staffs, and we will miss her daily presence in our lives.

Like most offices, our staffs are more than our legislative teams, they are extended family. That will not change. She will forever be a member of the Enzi family—another daughter.

The Senate is a place to work unlike any other in the world. It welcomes only those with special skills and unique abilities and provides them with a tremendous opportunity to make this great Nation of ours a better place in which to live.

In the end, that will be Katherine's legacy after 17 years of service in the Senate. On my staff, and before that, serving with Senator Al Simpson and Senator RICHARD LUGAR, she has made the most of every opportunity she was given, and she can be proud of the record of success she has compiled over the years in every area of her life.

We know from the Bible that we chart our course in life in our hearts, but God directs our steps. God has directed these new steps in Katherine's life, and I know she will continue to make the most of every step that God moves her to take.

Good luck and God bless you and your family, Katherine. Don't forget us. We will not forget you. In fact, we are going to leave a light burning in a window of the Capitol dome so you can always find your way back home. Thanks for your years of service.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Utah.

Mr. HATCH. Mr. President, if I could make one comment. I have known Katherine for a long time. She is one of the truly great staffers on Capitol Hill.

I want you to know how much all of us have appreciated the work you do, and with this great Senator you have been working for. I appreciate it.

Mr. President, the distinguished Senator from North Dakota has asked that I yield for a unanimous consent request, and then I would like to retain the floor.

The ACTING PRESIDENT pro tempore. The Senator from North Dakota is recognized.

ORDER OF PROCEDURE

Mr. DORGAN. Mr. President, I thank the Senator from Utah. My understanding is the Senator from Utah will speak and the Senator from Rhode Island will be recognized. We will reconvene at 2:15 following the caucus. So I ask unanimous consent that I be recognized at 2:15 for 30 minutes in morning business.

The ACTING PRESIDENT pro tempore. Is there objection?

Without objection, it is so ordered.

The Senator from Utah is recognized.

TRIBUTE TO PATRICIA KNIGHT

Mr. HATCH. Mr. President, I may need a little more than 10 minutes because this is an important speech for me.

I am grateful for the opportunity today to pay tribute to a wonderful woman, dedicated public servant, health policy expert and my chief of staff, Patricia Knight, or as many know her in the Senate—Trisha.

We were all sad to learn last week that, after over 34 years of public service, Trisha has decided to leave the Senate family at the end of the year, which in the arcane ways of the Senate could be any number of days between now and December 31. In fact, had I been able to convince her to stay until January 7, we would have been able to celebrate with her the 34th anniversary of her first job on Capitol Hill.

Trisha was born here in the District and grew up in Arlington. She progressed through Jamestown Elementary School, Williamsburg Junior High School and Yorktown High School. We like to kid her about the fact that this is the pathway that launched CBS newswoman Katie Couric.

When I first approached Trish about being my chief of staff, she quickly pointed out that she was not from Utah. However, always thinking on her feet, she rapidly concluded that graduating from Syracuse University, or Syracuse U, was close enough to 4 years in Syracuse Utah! And that became her story.

I might add that she graduated magna cum laude from Syracuse University, where she majored in anthropology and photojournalism, which makes her in my mind uniquely qualified to work in this body.

Trisha never intended to work on Capitol Hill. She is the daughter of a pair of Washington journalists, both deceased. But, I know they are watching over her and are very proud of what she has accomplished.

She always reminds the young people who come to work in my office that she got her first Federal job by walking up and down Constitution Avenue passing out resumes and the old Civil Service form SF–171.

She was initially hired as a temporary typist at the U.S. Department of Commerce, which it turned out was a lucky career start, because she found out later she had flunked the typing test but they hired her anyway.

That became her launching pad for work in the office of our former colleague, and then House member, Senator Jim Broyhill of North Carolina, the ranking Republican on the Energy and Commerce Committee.

He trained her well. She moved from caseworker, to legislative correspondent, to legislative assistant. I would like to say it was a meteoric rise—but in those days the average Hill staffer stayed more than 2 years. Trisha was there for almost 8 years—day, night, and many weekends.

I knew she would be a real asset to my staff because of her considerable government experience.

Before coming to the U.S. Senate, Trisha served in the executive branch for Presidents Ronald Reagan and George H. W. Bush. It is interesting that she worked at two cabinet agencies twice—the Commerce Department and Health and Human Services. The Cabinet secretaries she served include Richard Schweiker, Margaret Heckler, Otis Bowen, M.D., Lou Sullivan, M.D., and Bob Mosbacher.

Trisha is perhaps best known for her work at HHS—she served twice as a deputy assistant secretary at the Department of Health and Human Services and is considered by many as one of the top health policy experts in Washington, D.C. In that job, she was a line officer in the Public Health Service, as well as a staffer for the Secretary, and she worked for some of my favorite people—Dr. Ron Docksai, Dr. Bob Windom, and Dr. James O. Mason.

In addition to her work for Senator Broyhill when he served in the House, she has also served on the staff of the House Appropriations Committee, where she was minority clerk for the legendary Silvio Conte of Massachusetts on three appropriations bills: Commerce-State-Justice; Legislative Branch; and Foreign Operations.

I felt very fortunate when Trisha agreed to work in my office as a volunteer after the defeat of President George H.W. Bush. In fact, I tried to hire her the first week, but she flippantly informed me I didn't have the budget to do it.

A few months later, I found that money, and she joined my health staff, rising quickly to become my health policy director.

She is one of the shrewdest, smartest, most effective legislative minds in the Senate. She deeply understands the legislative process and has cultivated relationships with health policy experts throughout this country and

around the world. She truly knows everyone and the proper way to get things done, on health care, and a whole range of issues. She has a rare combination of policy expertise and legislative know-how. In other words, she not only knows what to do, she knows how to make it happen. Those are rare qualities anywhere; certainly around here.

She is very proud of her work in Senate infrastructure development, including her active membership in the Senate Chief of Staff organization and its executive committee. She has been a real leader in that organization. She has worked hard to be a capable administrator and manager and to help develop our staff and our institutional knowledge.

She also takes pride in the young people whose careers she has helped launch on Capitol Hill. I often hear her tell young legislative staff—in the words of her good friend and mentor, Don Hirsch: ''Read the bill,'' as only she can say. I am a poor substitute.

The legislation she has worked on is really among the most important in my service on Capitol Hill. Trisha was by my side when we finally persuaded Congressman WAXMAN, Congressman DINGELL, and Senator KENNEDY to allow the Dietary Supplement Health and Education Act to go through. The Governor of New Mexico, now running for President on the Democratic side, was my prime cosponsor on that bill.

It was a journey of several years. It was a legislative campaign that has served as the model for many pieces of legislation since. And, I might add, it was the only major health bill to be enacted in 1994, the year of President Clinton's Health Security Act.

She was by my side in 1997, when Senator KENNEDY and I worked with Senators Chafee and ROCKEFELLER to enact the CHIP legislation in a record 144 days. People know how important that bill is. Virtually everybody in our society today recognizes the importance of the CHIP legislation. I know she had hoped to stay on and see the reauthorization finished this year, but we will do all we can to get it done next year. She has played a pivotal and extremely important role in that remarkable landmark legislation.

She has had an influential role in development of so many other pieces of law—reforming the Food and Drug export laws, allowing medical volunteers at Community Health Centers to be covered under the Federal Tort Claims Act, so many of the budget reconciliation bills, including the landmark Medicare Modernization Act, all of the major FDA bills we have considered in the past 2 decades, including the Prescription Drug User Fee Acts and the Medical Device User Fee Acts. That is only mentioning a few of the bills and mainly in the health care area—not counting all of the other areas where she has played a pivotal and very important role. She also served on the Judiciary Committee, where she worked on nominations, patents and controlled substances issues, among many, many others.

This week, as she is delighted to note, she assisted in seeing the first bill she drafted pass unamended—legislation to rename the National Institute of Child Health and Human Development as the Eunice Kennedy Shriver National Institute of Child Health and Human Development. I think most people who really know, knew how close I am to Sargent and Eunice Kennedy Shriver and how much I love Eunice Kennedy Shriver. This woman has given so much to our country. Frankly, she is one terrific human being, as was her husband when he worked in so many positions in the Federal Government.

This was a bill that Trish drafted, helped to push through, along with myself, and I am really pleased that Eunice Kennedy Shriver will be memorialized. It is something she always took credit in—the National Institue of Child Health and Human Development. She has worked with children all over the world and deserves that distinguished honor.

The list on and on. There are some that have not become law yet—and I know she regrets that—but I think we may still see the Knight agenda enacted. Two of these are allowing vitamins to be purchased with food stamps—a commonsense measure for good nutrition, and even more importantly, allowing FDA approval of biosimilars, my high priority.

Trish spearheaded for me the Kennedy-Hatch Biologics Price Competition and Innovation Act of 2007, reported earlier this year by the HELP Committee.

Trisha also is a walking rolodex. She knows everyone—including just about every health policy expert in the country. When she made her announcement on Friday, a flurry of e-mails came into the office. I would like to share just a few of them which I think you will enjoy, and which show her true character.

One of my former staff directors for the Senate Labor Committee noted in response to her announcement:

I can't believe you plan to hang up your whip. Ringmasters occasionally take breaks, but that doesn't mean they quit the circus. Senator Hatch thinks the world of you, as do we all. Whatever your final decision, I hope it keeps you in public affairs.

One of Senator KENNEDY's former staff directors said,

The planets are realigning. The tectonic plates of the earth are shifting. The sea is parting. The world will never be the same again.

Those Kennedy staffers always do go in for the hyperbole, don't they? That is why they are so successful.

A leadership staffer noted:

It truly will be a loss to the whole Senate.

A Utah mayor and CEO told Patricia:

I cannot tell you how much we have appreciated your help. You will be sorely missed. Your ability to make a difference on Capitol Hill is evident. You have been a great friend and ally. Your work ethic is unmatched by anyone I have seen on the Hill. When you combine that with your knowledge of key areas like HHS issues, you have been a very effective government operative.

A Utah political leader noted:

Trisha is the brightest political strategist I have known in all my years in politics. She has the ability to put together a long-term strategy to deal with a crisis before the crisis occurs. Her perspective and insight into issues is unsurpassed.

And one last example, a former Robert Wood Johnson fellow in my office noted:

You know, you were singlehandedly responsible for my whole perspective change on the reality of government and its operation . . . The amount of information you have in your mind, from your experiences, and all that you have done for others, is staggering.

You will always be a close and dear friend and my life/career has been better for knowing you in that role. No matter where you find yourself, my admiration and respect will only grow. While I was there (and since), you made sure that I had a life changing experience and got to see and hear it all.

People on the ''outside'' who deal with many, many congressional staff, hold Trisha in the highest regard—for her expertise, her masterful strategic thinking, and for her straightforwardness, scrupulous honesty and sense of fair play. But more importantly, they genuinely like her because she is, above all, a wonderful, generous person.

Over the years, Trisha has spent weeks traveling through Utah, meeting with county and city officials and getting a good feel for the issues and challenges Utahns are facing throughout our State. She has made it a point to get to know our great State and know it well. She brought to that task all she had learned in her government career, an experience that undoubtedly helped our State in innumerable ways. In fact, when he heard she was leaving, our House colleague, Representative CHRIS CANNON, said:

It is the State's great loss.

Trisha has the love and respect of everyone in the Senate, in Utah and those whose lives she has touched.

I will always appreciate her wise counsel and deep commitment to me, to my staff and to the citizens of Utah. Her sense of humor has defused many a tense time.

Trisha has been my right hand for many, many years—indeed, she is my longest-serving chief of staff and I will miss her greatly. In fact, one wag blogged upon hearing this news in the Salt Lake Tribune—I hope when she leaves she'll take HATCH with her. I thought that was a little coarse myself.

I ask unanimous consent that these articles be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Salt Lake Tribune, Dec. 15, 2007]

HATCH'S ''RIGHT HAND'' TO LEAVE BY YEAR'S END

(By Robert Gehrke)

Sen. Orrin Hatch's longtime chief of staff and policy adviser on health issues, Patricia Knight, will leave the senator's office before the end of the year, she said Friday.

Knight said she is leaving before a new law kicks in on Jan. 1, 2008, restricting congressional staffers from lobbying the chamber where they worked for two years. There is a one-year restriction in place now.

''It was extremely tough for me, but in the end I felt like I owed it to myself for my future development to not be limited,'' she said. ''That's the only reason I'm doing it now. I love the job and Senator Hatch and working for the people of Utah.''

Knight told the senator of her decision Thursday evening, she said, and Hatch announced her imminent departure during a staff meeting Friday morning.

''Trish has a reputation as one of the best senior legislative staff members of Capitol Hill. But those who know her well realize that she is the best on the Hill,'' Hatch said in a statement. ''She's been my right arm for years and done more for the people of Utah and for this country than I think anyone will ever realize.''

Hatch promoted Jace Johnson, his legislative director, to take over as chief of staff. Johnson, a graduate of Brigham Young University, has been with the senator for several years, working on issues including transportation, trade, welfare and telecommunications.

Knight was something of a character among the Senate chiefs of staff. She would do needlepoint during meetings, enjoys Neil Young concerts and has a dry, barbed sense of humor. She likes to garden, spend time at the beach and take care of her dogs, Frank and Maxie.

Knight came to work for Hatch the day after President Clinton took office in January 1993, volunteering her services temporarily after being forced out of her post as a deputy assistant secretary at the Department of Health and Human Services with the change in administrations.

She was hired full-time and worked on Hatch's key health care legislation, including helping to write the 1994 dietary supplement legislation and the first State Children's Health Insurance Program in 1997.

She has been Hatch's chief of staff since 1999, but remained active in health policy, recently helping to negotiate legislation regarding the Food and Drug Administration's regulation of biologic treatments—things like gene therapies, blood and tissue treatments and vaccines.

___

[From the Desert Morning News, Dec. 15, 2007]

HATCH'S CHIEF OF STAFF STEPPING DOWN

(By Suzanne Struglinski)

WASHINGTON.—Patricia Knight, chief of staff for Sen. Orrin Hatch, R-Utah, will leave government service at the end of the year, she told the senator Thursday. Knight started as a volunteer in Hatch's office in 1993, a status that lasted only a few months before she started working on health-care policy. She has been his chief of staff since 1999 but has worked for the federal government since 1973.

''We will miss Trish terribly,'' Hatch said in a statement. ''I know that this is the right time for her, after 34 years serving our country, and I know she will be successful as she moves her career to the private sector.''

Hatch said she has been his ''right arm for many years'' and that the Virginia native ''has done more for the people of Utah and for this country than I think anyone will ever realize.''

Knight disagreed with the phrase that she is retiring as she wants to do government consulting or some related work.

She based her decision to leave on the pending enactment of a new law that would bar her as a former Senate staffer from lobbying other Senate offices for a full year. Under current law, she would only be banned from lobbying Hatch's office for a year.

Knight feels the new law, designed to stop the so-called revolving door between congressional offices and lobbying shops, is a little unfair. She said it would limit her from talking to senators and their staff members whom she does not now know.

''It's not like I have a big influence with people I haven't met,'' Knight said.

Knight said she will miss Hatch's office and working with the people of the state.

''It's going to be different,'' she said. ''I'll be coming at things from a different perspective.''

Jace Johnson, Hatch's current legislative director, will become chief of staff, Hatch said.

Johnson and Knight have worked together on issues for several years and ''he is well prepared to serve the people of Utah and the country,'' Hatch said.

''Trish has a reputation as one of the best senior legislative staff members on Capitol Hill. But those who know her well realize that she is the best on the Hill,'' Hatch said.

Mr. HATCH. I will always be extremely grateful for the service she has rendered. But more than that, she is a dear friend who could always be counted on to tell me the truth. That was really important to me and has always been.

Mr. President, I have been blessed to have superb staff in my 31 years here in the Senate. The devotion staff have to the institution of the Senate is understandable—we are all privileged to serve an institution that embodies the liberty and deliberation among free people that the Senate represents.

But the devotion of staff to a Member is, for me, quite humbling. For 15 years, Trisha Knight has given me and the Senate her expertise, her knowledge, and her advice.

I have been able to rely on her, literally, 24 hours a day during these 15 years. I have depended on her to help me pass landmark legislation, and surmount difficult challenges. I have relied on her advice—even when she felt obliged to tell me what I didn't want to hear.

I have relied, without exception, on her integrity, and I am grateful for every day I have had the pleasure of her good character.

We will all miss Trisha, but I suspect we will be seeing a lot of her in the future. We do have a saying: ''Once a Hatch staffer, always a Hatch staffer,'' and we will expect her to adhere to that rule. And all the other applicable rules and laws, I hasten to add.

So, as the first session of the 110th Congress draws to a close, I hope my colleagues will join me in expressing appreciation for Patricia Knight for her loyalty, her service, her counsel, her sacrifice, and her commitment to good policy.

Let me say I have worked with some wonderful people in my days. I have had some terrific people help me. I have had people who have been loyal, decent, honorable, kind, honest people who have set examples around here and, frankly, every one of them has become a very good friend.

In particular, I love Trisha Knight. I believe she has more than given her best to the Senate, the Congress, and to the Government of the United States of America. I care for her, and I hope she will continue to stay in touch with me and with others in our office because we are going to need her help. We are going to need her advice from time to time. I hope she will always be there for us. I wish Trisha the very best in whatever she chooses to do next. I pray for her continued good health, success, happiness, love, and joy. She is a great one. I have been very privileged to have her with me.

I yield the floor.

Mr. ENZI. Mr. President, I rise today to recognize Patricia Knight who is retiring next week after 10 years as Senator HATCH's Chief of Staff and 15 years playing a central role in health policy here in the Senate.

Although, I am sure Senator HATCH will describe her role in his office, and her work on Judiciary Committee and Finance Committee issues, I wanted to rise and acknowledge her contribution to health care policy. For the last 15 years, Ms. Knight has been a constant advocate for improving the health care system. She has played an important role in every piece of device, drug, and supplement legislation that has been enacted. She has not just overseen this development, but participated. My staff and I have enjoyed working with her, as she has made it very clear that she enjoys getting bills enacted.

In the last 3 years as chairman and now ranking member of the HELP Committee, Ms. Knight has worked with my staff on all of the bioterrorism legislation, the biosimilar legislation, and the recently enacted FDA Reform Act. While being Senator HATCH's Chief of Staff, Trish worked tirelessly as she felt that this was important legislation that needed to be done correctly. She helped organize Republican and bipartisan briefings, helped draft and revise language, and encouraged everyone late into the night.

Throughout her interactions she has been a pleasure to work with kind words and funny nicknames for all. I thank her for her service and wish her the best of luck in her future endeavors. Surely, the Senate will miss her.

Mr. HARKIN. Mr. President, the end of this year brings the loss of one of this body's most talented, dedicated, and accomplished staff members. Patricia Knight, Senator HATCH's longtime chief of staff, is retiring after three decades of distinguished public service to the Senate, House of Representatives, and the Department of Health and Human Services.

I have had the pleasure of working with and knowing Ms. Knight for at

least 13 years. My work with her began when ORRIN HATCH and I teamed up in 1994 to pass the landmark Dietary Supplement Health and Education Act, DSHEA. That legislation, which assured continued consumer access to and better research into dietary supplements, is a testament to Trisha's mastery of health care issues, her commitment to legislating across party lines, and her sharp attention to detail. Truly, without her, there would be no DSHEA today.

For the past nearly 30 years, Trisha Knight has been in the middle of almost every major piece of health legislation enacted into law. From DSHEA to the Children's Health Insurance Program, from the Medicare prescription drug legislation to the FDA Modernization Act, her stamp is on a host of major laws that will endure for many years to come.

Mr. President, the American people owe a debt of gratitude to Patricia Knight. While most may not know her, they know and appreciate the public policies she has helped create. She has worked day and night for many years of public service. And all the while she carried with her a passion for public policy, an unflagging dedication to her bosses and great, sharp wit.

I wish Trisha all the best as she moves on and tip my hat to her for a job well done. She will be missed.

The ACTING PRESIDENT pro tempore. The Senator from New Hampshire is recognized.

DEDICATING A NEW HAMPSHIRE POST OFFICE IN HONOR OF CAPTAIN JONATHAN D. GRASSBAUGH

Mr. SUNUNU. Mr. President, I will speak as in morning business. I thank Senator REED for giving me the opportunity to speak briefly before his remarks in support of legislation that I do hope the Senate will act on today; that is, legislation to dedicate the post office in East Hampton, NH, in honor of Army Ranger CPT Jonathan Grassbaugh, who was killed in action on April 7 this year in Iraq.

Mr. President, on behalf of Hampstead, New Hampshire middle school students, school board officials, board of selectmen, and residents, I rise to honor a fallen hero, United States Army Ranger Captain Jonathan David Grassbaugh, by introducing a bill to designate the United States Postal Service facility at 59 Colby Corner in East Hampstead, NH, as the ''Captain Jonathan D. Grassbaugh Post Office.''

Jon, as he was called by his family and friends, moved to East Hampstead, NH, from St. Marys, OH, in 1989. He attended Hampstead Central Elementary School and Hampstead Middle School where his mother, Patricia, is principal.

Jon graduated high school from Phillips Exeter Academy, in Exeter, New Hampshire, where he was a four-year honor student in the Class of 1999. Jon left a remarkable impression on the Phillips Exeter community; remembered for his manifestation of the motto ''Non Sibi'' or ''Not for Oneself,'' a Latin phrase inscribed on the Academy's seal. Jon exemplified his passion for life through his persistent dedication to his studies, tireless volunteer efforts in school and the local community, and commitment to the Academy's radio station, Grainger Observatory, and the school's Washington Internship Program.

Jon's illustrious high school years were prologue to a promising future, full of infinite potential. Jon enrolled at Johns Hopkins University where he graduated in 2003, earning a bachelor's degree in computer science from the renowned Whiting School of Engineering.

At a young age, Jon's family instilled in him the importance of volunteerism and service to the United States. Jon's father, Mark proudly served three and a half years as an Army Ranger during Vietnam, and his older brother, West Point Alum and Dartmouth Medical School graduate, Army Captain Dr. Jason Grassbaugh, is currently serving as an orthopedic surgeon in Fort Lewis, WA. Jon continued this family tradition of service, joining the Johns Hopkins Army ROTC Program, and eventually becoming battalion commander his senior year. He also became a proud member of the Pershing Rifles fraternal organization, captained the Ranger Challenge Team, and won the national two-man duet drill team competition.

In a storybook setting, Jon met Jenna Parkinson, a freshman ROTC cadet from Boxborough, MA, during his senior year. Jon and Jenna slowly grew closer, watching movies together during spring break, sharing flights to and from school, and attending the military ball. A few short years later, Jon proposed to Jenna on April 30, 2005, and the young couple subsequently married on June 9, 2006, in a Cape Cod ceremony. Prior to their wedding day, Jon and Jenna filled out a questionnaire for their officiate which asked, ''Where is a sacred spot, a place where you feel most connected, most at peace and most inspired?'' Jon's answer came in three loving words: ''With my wife.''

Following graduation, Jon completed U.S. Army Ranger School in April 2004 and served his country both at home and abroad. He was assigned to the 7th Cavalry in The Republic of South Korea and served as a member of the Army Hurricane Katrina Relief Team. Later, Jon was assigned to the 5th Squadron, 73rd Cavalry Regiment, 3rd Brigade Combat Team, 82nd Airborne Division in Fort Bragg, NC, where he and the now U.S. Army 2nd Lieutenant Jenna Grassbaugh would reside.

Shortly after Jon and Jenna were married, he was deployed for a second tour of duty in Iraq. Tragically, on April 7, 2007, Jon was one of four soldiers who died while conducting a combat logistics patrol in Zaganiyah, Iraq. Throughout Jon's distinguished military service, he received a number of accolades and commendations, including: the Bronze Star Medal, Purple Heart Medal, Meritorious Service Medal, Army Commendation Medal, Joint Service Achievement Medal, Army Achievement Medal, National Defense Service Medal, Iraqi Campaign Medal, Global War on Terrorism Service Medal, Korean Defense Service Medal, Humanitarian Service Medal, Army Service Ribbon, Ranger Tab, Combat Action Badge, and Parachutist Badge.

Jon is remembered as a confident and mentally strong leader, whose poise under pressure, intelligence, compassion, and love for God, country and family transcends his passing. His valor on the field of battle was equally as impressive as his undying loyalty to and love for his squadron. One well-known anecdote recalls a combat operation in which Jon had pizza flown by helicopter from 100 kilometers away to where his troops were conducting combat operations in an effort to lift morale. Jon left a legacy that continues to inspire our Nation's future leaders from Hampstead and Exeter, New Hampshire, Johns Hopkins, and those he proudly served beside in Iraq.

On a deep and personal note, for those who had the sincere privilege and honor to meet Jon, it was evident his exuberance for life and new experiences, ingenuity, and academic acumen destined him for greatness. By the time of his death, Jon had achieved more than most individuals do in a lifetime, a testimonial to his family's love and guidance through his young life, and Jenna's warmth and support as he fought for our Nation.

Today, Jonathan Grassbaugh rests in peace at one of our Nation's most hallowed and sacred grounds, Arlington National Cemetery—his rightful place among generations of brave Americans who sacrificed their lives in defense of this country. His loved ones will forever remember him as a loving husband, son, brother, and friend. Let it be known, the citizens of New Hampshire and our Nation are eternally in debt to Jonathan David Grassbaugh, an honorable son of New Hampshire, an American Patriot, and a guardian of liberty.

Mr. President, I ask unanimous consent that a copy of the Hampstead, NH, Board of Selectmen's letter of support to dedicate the East Hampstead, NH, Post Office, as the ''Captain Jonathan D. Grassbaugh Post Office'' be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DECEMBER 12, 2007.

Re Petition of dedication.

DEAR SENATOR SUNUNU: Students of the Hampstead Middle School prepared a petition to support honoring Captain Jonathan Grassbaugh, who gave his life for our country. the petition seeks to honor him by dedicating the East Hampstead, NH, 03826 Post Office in his name.

The petition was presented to the Hampstead Board of Selectmen on Monday, December 10, 2007.

The Board of Selectmen accepted the petition and voted unanimously to support the project.

Please find enclosed the petition along with the signatures of 526 individuals.

Thank you for your help in moving this project forward.

Very Truly Yours,

RICHARD H. HARTUNG,
Chairman.
PRISCILLA R. LINDQUIST,
Selectman.
JIM STEWART,
Selectman.

The ACTING PRESIDENT pro tempore. The Senator from Rhode Island is recognized.

Mr. REED. Mr. President, I ask unanimous consent that the recess be delayed until I complete my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. REED. Mr. President, I ask unanimous consent that the order with respect to Senator DORGAN be changed to provide that if Senator DOLE is here at 2:15 p.m., she be recognized for up to 5 minutes and then Senator DORGAN be recognized.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE ECONOMY

Mr. REED. Mr. President, I rise today to discuss the state of our economy. Regrettably, the news is not good. Two weeks ago, the Mortgage Bankers Association reported that the rate of home foreclosures and the percentage of loans in foreclosure is at the highest level ever recorded by this organization. At the same time, surveys by the University of Michigan and the Conference Board showed consumer confidence at the lowest levels in many years. The financial troubles that began with the subprime mortgage crisis last summer have now spread to all credit markets and created a liquidity crunch that threatens our entire economy.

Some say these troubles are merely temporary. In fact, some say there are two economies—the real economy, with people getting up and going to work, and the economy of Wall Street, which is financial engineering and all sorts of incredibly exotic financial products. The reality is these markets intersect. As a result, our whole economy is threatened now by forces that may be temporary, but they are working themselves out in a very difficult way for the people of this country, the men and women we represent, our constituents.

Some contend that the market has undergone a correction since the end of cheap credit and speculation in the housing sector. They point to job figures and quarterly GDP growth as indications that the overall economy, the real economy, is strong.

Frankly, I think we have to look critically at those assertions. What troubles me more than the numbers—the GDP and all the other financial statistics—is what I am hearing from Rhode Islanders and what I presume my colleagues are hearing from their constituents across the country. The mortgage crisis and credit crunch in many ways represents a culmination of their fears and sort of the tangible acknowledgement of what they have been fearful of for many months. Lately, I have been struck by how many people are finding it increasingly difficult to maintain a decent standard of living, despite having a steady job. People tell me they feel squeezed by the rising costs of energy, food, health care, and higher education, while at the same time the size of their paychecks does not seem to be expanding at all.

For thousand of families in Rhode Island and millions of people across America, wage stagnation has created a general feeling of anxiety. Instead of trying to get ahead, most people are finding it hard to get by. The subprime meltdown and subsequent credit crunch are adding additional stress to that equation. For some people, it has pushed them to the brink of personal and financial crisis.

Today, we are living in an era of divided prosperity, where a few do extremely well—extraordinarily well—and the rest of us are struggling to keep up. The Bush administration has aided and accelerated this trend of growing inequality, and its lax attitude toward regulation has allowed major economic liabilities to develop unchecked, allegedly for the sake of allowing the market to function ''efficiently.''

The latest crises show markets are not always efficient, nor always equitable, and rampant speculation in the absence of oversight can create problems that cannot be quickly assessed or fixed. This President has perpetuated a system that encourages a fortunate few to collect as much of the benefits of our economy as possible, while sharing very little with the rest of society.

At the same time, what we have seen developing are enormous blind spots that have begun to reveal themselves with disturbing frequency. The tragedies of Katrina and the collapse of the bridge in Minneapolis, as well as the subprime crisis, and even our policies in Iraq are all evidence of the administration's consistent failure to plan for long-term liabilities. Moreover, this shortsighted focus is reflected in massive trade and budget deficits and the absence of any comprehensive plan to address our addiction to foreign oil or the skyrocketing cost of health care. These are creating real challenges for our country.

This year, the new majority in Congress has tried to set a different course, but, unfortunately, we have not had the cooperation or support of the President in any real sense of the word. As a result, we have made some progress in addressing and correcting these issues but not nearly enough. In order to end the Bush era of divided prosperity, which some people speak of as two Americas, we have to, I think, reengage ourselves in a process of making sure America is competitive in the global economy and that it has sustainable policies that lead to true growth, which is shared by all Americans. We must reprioritize and take a more serious approach to the policy challenges at hand.

Since World War II, every period of economic expansion has resulted in shared prosperity for most America. To be sure, growth varied by degrees over time and from place to place, but in general the tradition in America has been that a rising tide will lift up all boats. Yet for the past 6 years, under the Bush administration, this tradition of shared prosperity has not been sustained.

In my State, the Poverty Institute of Rhode Island announced last month that our median wage actually declined since 2000, which makes Rhode Island the only State in New England to experience negative wage growth during this period. With stagnation in most places, we have actually seen negative growth. Since President Bush took office, the real national median household income has declined by $962, from $49,163 in 2000, to $48,201 in 2006. In fact, between the first quarter of 2001 and the third quarter of 2007, real median weekly earnings fell 1.2 percent, compared to 7.1 percent growth between 1996 and 2000 under the Clinton administration. We have seen a startling change in the economy affecting the families of America, whose incomes grew from 1996 to 2000 and have declined in real terms since then, and that reality is shaping the lives of millions of Americans.

While the President's economic policy has yielded extraordinary gains at the very top of the income scale, his fiscal policy has multiplied differences and exacerbated the disparity between the very wealthy and, frankly, most everyone else.

According to data recently published by the Congressional Budget Office, in 2005, real after-tax incomes jumped by an average of nearly $180,000 for the top 1 percent of households, while rising only $400 for middle-income households, and $200 for lower income households, which signifies an extraordinary divergence in terms of the wealth of the very few versus everyone else. That average income gain for the top 1 percent is more than three times the total income of the average middle-income household.

Taken together with prior research, this new data indicates that income is now more concentrated at the top of the income scale than at any time since 1929. I grew up in an era where we looked to the history of the lives of our parents who endured a depression

in which the economy collapsed, and then through the policies of this Federal Government and State government, we saw a rising tide literally lift up every family in America. We saw a more equal distribution of wealth. In fact, many people prospered. Now we are seeing a reconcentration of wealth that has great consequences not only for our economy, but for our society.

We pride ourselves as Americans on having a country where anyone can rise to the top, where opportunity will propel you forward, take the chances that are available to you. But what we are seeing in other economic studies is, frankly, today we can predict the success of a child based on the income of the parent more than we could 20, 30, and 40 years ago. If your parents are wealthy, you are likely to stay wealthy. That was not the case 20, 30, and 40 years ago.

In his new book ''The Squandering of America,'' the economist Robert Kuttner writes:

Between 2000 and 2006, the productivity of American workers increased by 19 percent. But the total increases in wages paid to all 124 million non-supervisory workers—

These are the blue-collar workers who come in every day, punch in, work hard, go home, and take care of their families.

—was less than $200 million in 6 years—a raise of $1.60 per worker—not $1.60 per hour, but a grand total of one dollar and sixty cents in higher wages per worker over nearly six years . . . Compare this $200 million total for all nonsupervisory workers to the nearly $38 billion paid in bonuses alone by the top Wall Street firms during the same period.

That is $38 billion to those people who are extremely successful on Wall Street versus $200 million for every nonsupervisory worker in the country.

Since 1997, the pay of CEOs of large corporations has increased to an average of $10.5 billion per year, or about 369 times the average wages of a worker and 821 times the average wage of a minimum wage worker. Such facts make it clear that most Americans are working harder and more productively.

Yet these facts go against what many of us were taught in school about the tenets of economics. I am referring to the basic idea that as the economy becomes more productive, those productivity gains are shared, and as a result workers get more in their paychecks. That is not happening. It is not happening as it should.

Let me give another example. According to ''Alpha'' magazine and the New York Times, in 2006, the top 25 hedge fund managers combined earned $14 billion. That is enough to pay New York City's 80,000 public schoolteachers for nearly 3 years. Ask yourself: As a matter of social worth and value, should 80,000 public schoolteachers be paid for 3 years with what 25 individuals have earned?

I understand there is a risk premium for the pay that these financial managers earn. They are not only talented, dedicated people, but they are also going in there and taking chances and rolling the dice and creating innovation, entrepreneurship, and opportunities for others. But still I must ask: Is this distribution of wealth and reward commensurate with all the efforts of those teachers, men and women in urban school districts who are laboring to give kids a chance so they can seize opportunities? As Americans, we have to stop and ask ourselves why is this happening. Is there something we can and must do to make this country a little bit fairer?

Even some billionaires are concerned about this. Warren Buffett has criticized the U.S. tax system for allowing him to pay a lower rate than his secretary. Mr. Buffett paid 17.7 percent on the $46 million he made last year. He did not try to avoid paying higher taxes, he simply took the advantages that were in the tax code to which he—indeed, to which each of us—is entitled. Meanwhile his secretary, who earns $60,000, was taxed at 30 percent.

If you consider these inequities, these differences, it is hard to understand why the President is so adamant about protecting the tax rates for the top 1 percent of earners. The consequence of this is that we also have fiscal complications. We have the most rapid deterioration of our Nation's fiscal health in the history of this country. In this administration, we have swung from a projected surplus to a projected deficit dramatically.

When the President took office, we had a surplus. Yet he has run a budget deficit every year for the past 6 years. Over that period of time, Bush's deficit spending has increased our national debt to nearly $9 trillion, which is virtually $30,000 for every man, woman, and child in America. He has pushed this country into record levels of debt to finance tax cuts for individuals who, frankly, are earning at a level at which they do not need additional tax cuts.

Not only does it give more to those who already have a great deal, it also starves the Government from funds to use for investing in the future productivity and prosperity of this country.

The only areas where the President has consistently supported more money have been for his tax cuts and for unlimited spending on his policy in Iraq. With these items, there is no limit to what he will accept. A recent report released by the Joint Economic Committee estimates that the total economic cost of the war in Iraq has been approximately double the direct budgetary costs. We have been spending billions, but the costs are much more than that. As we look to a drawdown of our troops going forward, the JEC estimates that the total economic cost of the war will reach $2.8 trillion for the entire 2003-to-2007 period, when you factor in veterans health care, the cost of equipping and replacing the materiel we have consumed in this war, and the reinvestments we will need to make in our military. It is a huge amount of money.

We are spending $10 billion per month on Iraq. Just 2 months of the cost of that war is roughly the same amount that was at issue between the President and the Congress in our debate about the budget this year. The President refused to spend $22 billion more than his limit on domestic spending, but in 2 months, we will consume at least that much in Iraq without any revenue offsets, without any qualms, and without any additional considerations. Unconditional spending was the message he sent to us last evening when he demanded that this Congress send him money for Iraq.

The President's policy seems to be not guns and butter but guns and caviar—money for Iraq, money for Afghanistan without limit, without end, it appears, and benefits through the tax system for the very wealthiest Americans, not the rich, but the super-rich.

This year, the Government is effectively spending $49 billion to provide tax breaks averaging $130,000 for those with incomes greater than $1 million. And we are seeing the impact throughout this country. We particularly see it as we go back to what has to be, I believe, the reference point for what we all do, and that is, what is happening to families across this country.

In Rhode Island, the cost of health care premiums is rising twice as fast as wages and inflation. Premiums in Rhode Island increased 67 percent between 2001 and 2006. Wages did not increase that fast, I can tell you that. The number of people without insurance increased 50 percent in that same period. They cannot afford to pay for the cost of insurance.

Gas prices have more than doubled in Rhode Island. The price of regular gas has jumped 95 percent from $1.52 when President Bush took office to about $2.97 in June of 2007. People are spending more and more money on getting to work, getting the kids to the Little League games.

College education costs are rising in Rhode Island and across the country. Average tuition fees in Rhode Island have increased 6 percent for our 4-year public colleges and 5 percent for our private colleges.

At the same time, the value of a home has been decreasing, and people are beginning to sense that decrease. A home used to be the great source of economic security, economic wealth, economic flexibility, and a hedge against the uncertainty of the economy, but now we are seeing in Rhode Island, and indeed across America, an explosion in foreclosures.

And we can also factor in the uncertainty of pensions. The fact is that more and more of my constituents are being pushed from a defined benefit to a defined contribution plan or in some cases to no pension at all. The erosion of traditional pensions is adding to this uncertainty.

The net effect of all of this is that many Rhode Islanders are working longer hours but are barely able to maintain the same standard of living.

What we have to do is respond to these issues. We have taken some

steps. We have passed, in terms of education, the College Cost Reduction Act. This $20 billion increase in student aid is the result of this Democratic Congress and our priorities, but we have to do much more.

We have moved forward with respect to some issues on housing, but progress has come much too late and is still too little. We finally cleared the Federal Housing Administration Modernization Act, the FHA Act, which is going to increase the amount of loans the FHA can guarantee. That is going to get them back into the lending business. But this action has come months after we should have moved more promptly, more efficiently, more effectively to do that.

We have to respond to this growing crisis now in terms of foreclosures. Secretary Paulson announced his plans recently and I think the plans are important because at least they signal some action. However, I suspect they are probably inadequate for the scope of the problem that is developing. We have legislation that is pending that has to be moved that I think will be much more effective going forward.

On energy, this week, the President is signing an energy bill which is long overdue. It increases gas mileage, or CAFE, standards. But we have to do more there, too. The tax provisions which are so essential, I think, to ensuring that there are incentives for alternate fuels, incentives in the marketplace so investors will put in money with the confidence that they will be repaid, those tax incentives are still languishing. They have to be passed. Again, we have made progress, but it has not been adequate progress to date.

We have to deal with the broader sense of our dependency on oil. Again, this energy bill is a very good step forward. It has to be supported. It has to be advanced. It has to be extended.

When we look at the economy from the standpoint not of the macroeconomic statistics of gross domestic product, when we look at the economy not simply in the context of financial markets, when we look at the economy from the standpoint of people who live in Harrisville, RI, or Harrisburg, PA, it is a tough economy. People at home are asking us to stand up and do something, to give them again the sense that when they work and their productivity goes up, their wages will go up as well; to give them the sense that they can actually provide for their family, maybe even put a little bit aside. Very few middle-income people are putting anything aside these days. That is our challenge.

This Congress has taken some steps to meet that challenge in terms of education policy, in terms of energy policy, in terms of at least beginning to deal with the housing issue. We have a lot more to do, and we need the cooperation of the administration.

I think this is a historic moment. Are we going to abandon our sense that this country is based on opportunity for all of our citizens? Are we going to abandon the sense that our economy works for all of its citizens; that those who are creative and clever and take risks will get great rewards but that no one is going to be left behind, no one is going to be left without anything to show for working hard, working smarter, and working better? I hope not.

I think that will be one of the ultimate judgments not just on this Congress and this administration but on our tenure as Members of the Senate as we go forth.

Mr. President, I thank the Chair for his consideration in allowing me to speak beyond the recess time, and I yield the floor.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate stands in recess until 2:15 p.m.

Thereupon, the Senate, at 12:46 p.m., recessed until 2:15 p.m. and reassembled when called to order by the presiding officer (Mr. CARDIN).

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

CONSUMER EDUCATION

Mrs. DOLE. Mr. President, ever since my days as Deputy Special Assistant to the President for Consumer Affairs in the Nixon administration, followed by 5 years on the Federal Trade Commission, consumer education has been a top priority, especially with regard to helping individuals protect their credit and improve their financial literacy.

In fact, back in my days with the White House Consumer Office, we prepared an extensive manual called ''Consumer Education K through 12.'' I traveled the country and encouraged schools to use this material so that students could learn the importance of financial literacy at an early age. So this is truly an issue that is near and dear to my heart, and I am pleased that the Senate Banking Committee held a hearing just last week entitled, ''Shopping Smart and Avoiding Scams: Financial Literacy During the Holiday Season.'' As I said at that hearing, it is unfortunate that today there is a particularly harmful practice called identity theft, an all too prevalent problem we must continue to deal with. Identity thieves constantly create new scams to rob hard-working, law-abiding citizens of their good names, their credit and their security. The stakes could not be higher for the families involved.

As you may remember, after last year's holiday shopping season, TJX, the parent company of TJ Maxx and Marshalls, disclosed that it had experienced a massive data breach, where the security of its customers' financial information was compromised. According to a filing with the Securities and Exchange Commission, beginning in July 2005, and continuing over an 18 month period, at least 45.7 million credit cards were exposed to possible fraud. As this example illustrates, identity theft is often cited as one of the fastest growing crimes in the Nation. According to a study conducted for the Federal Trade Commission, approximately 8.3 million Americans were victims of identity theft in 2005, losing an average of $1,882 dollars each. In my home State alone, an estimated 300,000 North Carolinians are victims of identity theft and fraud each year. Without a doubt, this is an issue that continually needs to be front and center on our radar screens, and we need to do our part to educate people on ways to prevent identity theft and inform them of what to do if, heaven forbid, they become a victim. For example, the North Carolina Department of Justice site called ''NoScamNC.gov'' and the Federal Trade Commission's Web site, www.ftc.gov, both provide useful information and tools to help consumers protect themselves and take action if their personal information has been compromised or misused.

With regard to financial literacy, I believe clarification of credit card agreements is high on the list to benefit consumers. There are many well-intentioned laws that require credit card companies to fully disclose their policies on rates, payments and terms of use. But unfortunately, the tangible effect of these laws is often multiple pages of single-spaced typing in small font lettering, filled with sophisticated legal terminology. Who are they trying to fool? For gosh sakes, you shouldn't have to have a lawyer and a magnifying glass to understand a credit card user agreement. Some lending companies are now providing consumers with a one-page summary of their disclosure information in a format similar to the nutrition information displayed on products in your local grocery store. In fact, I'm proud that working to get that clear, concise nutritional labeling was a top priority during my early days in the White House Consumer Office.

We must also continue to require that credit card companies provide full disclosure regarding fees, interest rates, minimum payments and privacy statements. It is imperative that this information be presented in the most consumer-friendly manner possible. This will benefit not only the consumers, but also the credit card companies. By providing more easily understood applications and monthly statements, card issuers can reduce losses due to defaults and also lessen the demand for customer service to guide consumers through problems. It's a win-win situation or, as they say, a no-brainer.

During this busy shopping season, and all year-round, we can each benefit from sharpening our financial literacy and protecting our personal information and credit.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. Mr. President, I believe I am by previous order to be recognized for 30 minutes. My colleague from Michigan has asked for 5 minutes to precede that. I will be happy to grant that by consent, if I will be recognized following her presentation.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Michigan is recognized.

PREVENTION THROUGH AFFORDABLE ACCESS ACT

Ms. STABENOW. Mr. President, I thank my colleague from North Dakota for his graciousness. It is my understanding that there will be an objection to this unanimous consent request. At this point there is not someone on the floor to object, so I will briefly talk about what I am asking that we do, and then, as a courtesy to our colleagues on the other side, if we do not have someone here I will postpone the actual motion. But let me just say, because I want to make sure I am only taking a moment—I know Senator DORGAN has some important words—let me just say I will be asking unanimous consent that S. 2347, the Prevention Through Affordable Access Act, be discharged and the Senate proceed to its consideration and pass it.

Due to an unfortunate drafting mistake in last year's Deficit Reduction Act, some safety net providers, such as family planning clinics and other health centers, cannot receive contraception from drugmakers at nominal drug prices without violating Medicaid's best price rule. These are drugs that in fact are donated. Since this law became effective in January, the provision has been a tremendous hardship for women across America and has driven up the cost of contraception, family planning, by some 400 percent in some cases.

Because of this, many women cannot afford their prescriptions, and clinics are being forced to close because they can no longer receive the donations they have traditionally received. This is sure to result in an unintended series of pregnancies among low-income women and students. This is very serious for women and families across America.

Hundreds of articles have been published documenting the impact of this mistake. We understand our Republican colleagues have indicated this was a mistake. This has affected low-income women and families on college campuses nationwide. Some clinics stocked up early, but their supplies are running out. For too many clinics, especially in rural areas and on college campuses, they simply do not have enough resources to overcome this provision which, it was indicated, in fact was a technical drafting error. According to one family planning organization, over 200 clinics across 34 States serving half a million patients are at imminent risk of closing, and therefore women and their families lose these important health care facilities.

In my own State, women in rural parts of Michigan will have limited or no access to contraception. I have already heard from rural health clinics, as well as universities, student clinics, how this provision, passed last year, is hurting women and potentially causing these centers to close. Again, this is essential health care for women that is at risk.

I rise today to express my strong support for the Prevention Through Affordable Access Act. This bipartisan bill, introduced by Senator OBAMA and myself and nearly 30 other Senators, is a commonsense solution to a major problem affecting our Nation's family planning providers. Historically, Congress has expanded access to affordable prescription drugs for vulnerable populations in America by permitting pharmaceutical companies to offer what is called nominally priced drugs, drugs that are either donated or provided at dramatically reduced prices, to certain health care providers.

What we are asking for today is merely a technical correction, to do the right thing. The Prevention Through Affordable Access Act will not cost the Government anything and merely will allow pharmaceutical companies that are willing to continue to donate drugs to safety net family planning clinics to do that.

This is invaluable in terms of women's health care. I urge my colleagues to join me in doing the responsible thing by passing S. 2347 now.

Congress must act responsibly now to ensure that family planning services and birth control pricing are restored this year. For too many families across America, this is an urgent situation. Women cannot wait until next session to have this mistake corrected and affordable birth control returned.

At this point we do not have someone, I understand, on the floor to address this from the other side, so I will delay actually asking for the unanimous consent until a later point. I do intend to do so. It would be my hope that, in fact, with such a large number of Senators supporting this effort we would be able to get this done today.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, as we near the end of this first session I want to talk about a couple of things. I think perhaps today is the last day, maybe tomorrow, I do not know for certain, but most of the business that required votes was completed last evening by about 11 o'clock.

FTC

First, I want to talk about some action that was taken yesterday by Federal Communications Commission Chairman Kevin Martin and Commissioners Tate and McDowell, forming a majority of three. In a 3-to-2 split, the Commission decided yesterday their main issue was the need to relax the ownership rules so we can have more concentration in America's media. It is exactly the wrong thing to have done. They have done the wrong thing for the wrong reasons, despite the fact that the Congress itself has asked them not to do this.

The Commerce Committee, of which I am a member, has passed legislation asking them not to vote so quickly on this rule. Members of the Commerce Committee and other Senators, 27 in total, sent a letter to the Chairman of the Federal Communications Commission this week and said: If you proceed to do this, we will introduce legislation to nullify and revoke the rule you are intending to pursue.

Now, despite that, yesterday the Chairman of the Federal Communications Commission, having worked apparently the night before—at 1 a.m. he was still passing around materials about what his rule was—drove through a new FCC rule to allow newspapers to buy television stations, to relax the cross ownership ban that has existed for some three decades here. We have in this country a dramatic concentration in America's media. A substantial portion of what most people in this country will see and hear and read today is controlled by a handful of corporations; it's a massive concentration. It is not unusual for you to drive down the street and think you're listening to your hometown radio station, but it isn't. Oh, you think you are listening to your hometown radion station, but they are not there. It is very likely someone is driving down the road in Salt Lake City, UT, and hears the disk jockey say: Well, it is a great morning here in Salt Lake City. The sun is coming up, we have got a few clouds in the sky, it is going to be a beautiful day. The traffic is kind of light. You think, well, this person obviously is in Salt Lake City, I am listening to a Salt Lake City station. But, no, that person is actually in a basement studio in Baltimore, MD, ripping from the Internet whatever that person can find about Salt Lake City and then pretending he is broadcasting from Salt Lake City. It is going on all across the country and it is called voice tracking. Localism is gone in many companies that have radio stations and television stations. And yet the Federal Communications Commission that is supposed to wear a striped shirt and be a referee—that is what a regulator is about—the Federal Communications Commission apparently believes we do not have enough concentration in the media.

In one community in my home state, Minot, ND, one company bought all six commercial radio stations. Think of that, bought all six of them. There was an incident one night at 2 in the morning that threatened peoples' lives,

killed one person, sent a lot of people to the hospital, when a plume of anhydrous ammonia enveloped that town from a train accident. The citizens called the radio station, but could not get an answer. Nobody answered the phone. Maybe if those six radio stations had been owned by six local people, you think you may have found someone there? I would think so, but yesterday the Federal Communications Commission said: Well, none of that matters. We want more concentration in the media. So they passed a rule that allows cross ownership, that has been banned for some 30 years, between newspapers and television stations.

Well, here is the media. Let's take a look at the media. They say: Well, we have got all of these new opportunities in the media. All of these are different voices. We have got Internet, we have cable channels, we have got so many more voices. Yes, more voices, the same ventriloquist.

Let me describe why that is the case. News Corporation. Here is one company. Take a look at it. The Internet, books, production, programming, film, magazines, newspapers, satellite. One corporation. By the way, that corporation has just purchased the Wall Street Journal.

Disney: Parks and resorts, magazines, radio, books, Internet, production, television, film. Time Warner. All of this media it owns: Programming, magazines, the Internet, film, television, cable.

Viacom: The Internet, film, production, programming, radio television. Well, I could go on. Let me go on to two more charts.

CBS Corporation, exactly the same thing. Go to the most popular Internet sites, who owns them? The same companies. General Electric. Television, programming, production, film, magazines, and on and on.

So we have now a Federal Communications Commission that says: You know what we need? We need more concentration, less localism, less minority ownership, apparently. It is unbelievably arrogant what they did yesterday. Let me describe why I think what they did yesterday was arrogant.

They had a rule they were going to put out some while ago dealing with migratory birds and communication towers. They said: This is an important rule. We will give 90 days for the American people to comment on this rule. Ninety days. On a rule dealing with relaxing ownership limits, they gave 28 days. Twenty-eight days.

Chairman Powell, the chairman before Chairman Martin, ran an FCC that included now-Chairman Martin. Four years ago he said he was going to put out a new ownership rule for the media. Here is what he proposed: In one of America's largest cities a company could own the following: eight radio stations, three television stations, the cable company, and the newspaper, and it will be fine.

Well, it was not fine with me. Senator TRENT LOTT and I got the Senate to pass a resolution of disapproval of the rule. In the meantime, the Federal court stayed the rule so it could not take effect. Here we are now back with the same issue, Chairman Martin leading the way. He says, well, this is a smaller step. Sure, it is a smaller step. You have abrogated the right of the American people to even understand what you are doing. He says: Well, we had a 120-day comment period. No, you did not, you had 28 days. You went out and held some meetings, but there was no rule for people to comment on at that point.

I want to make this point. What the FCC has done is arrogant. The chairman and the ranking member on the Commerce Committee asked them not to do it, 27 Senators sent them a letter saying it is inappropriate, saying you should not be short-circuiting the right of the American people to comment on this rule.

This Federal Communications Commission, operating with its strings to the White House, has decided what we need in this country is more concentration of the media. It is unbelievable to me. The last thing in the world we need in this country is more concentration in the media. What we do need with respect to radio stations and television stations and, yes, newspapers are some basic connections in the communities in which they serve.

This notion of voice tracking and all of the other things that are going on, one person at a studio board is running four or five stations, sending out homogenized music, pretending he is in four cities at the same time, that is not what was intended when we decided to give for-profit companies the right to use the airwaves that belong to the American people free of charge.

They have a responsibility, a public interest responsibility, and a responsibility to serve local interests. This Federal Communications Commission ought to hang its head for what it did yesterday. It is not over. We will bring to the floor of the Senate a resolution of disapproval. I am convinced, and I predict, that the resolution of disapproval will prevail on the floor of the Senate.

I would prefer to say nice things about a Federal agency, if only we could find a Federal agency that takes some responsibility for doing what it is intended to do. You can look around. You can look at the Surface Transportation Board, an agency that is supposed to be a referee with respect to the railroads. It is dead from the neck up; has been for years. There is no opportunity, no real opportunity, for anybody to have any opportunity to contest rail rates, for example.

I can go on and on with respect to regulators. It is too bad, because the American people deserve better, in my judgment. The American people expect better from this administration.

I want to speak on another couple of subjects this afternoon. First, I want to talk about the subprime loan issue, which affects almost everyone in this country because of the way it is affecting our economy. The subprime crisis has at its roots a substantial amount of greed and a lust for profits, that in my judgment injured basic common sense.

I want to read an advertisement that almost everyone has seen or heard when in the morning you get up, brush your teeth, maybe are listening to the television set as you get ready for work, and you hear this advertisement. We have all heard them. I wondered when I heard them: Well, how on Earth can this work?

Here is one, Millennia Corporation: 12 Months, No Mortgage Payment. That is right. We will give you the money to make your first 12 payments if you call in the next 7 days. We pay it for you.

Here is one from a company called Zoom Credit: Credit approval is just seconds away. Get on the fast track with Zoom Credit. At the speed of light, Zoom Credit will pre-approve you for a car loan, a home loan, refinance, or a credit card. Even if your credit is in the tank, Zoom Credit is like money in the bank. Zoom Credit specializes in credit repair, debt consolidation too. Bankruptcy, slow credit, no credit. Who cares?

That is the advertisement from Zoom Credit.

Countrywide Financial, the largest mortgage lender in the country, had this to say: Homeowners, do you want to refinance and get cash? Countrywide has a great reason to do it now. A no cost refinance. It has no points, no application fees, no credit reporting and no third-party fees. No title, no escrow, no appraisal fees. Absolutely no closing costs. So you wind up with a lot more cash.

Now the advertisements that say: Have you been bankrupt? Have you been missing payments? Do you have bad credit? Come to us. Do those advertisements say something to us about fundamentally bad business? It does to me.

Let me tell you what Countrywide Financial was doing. It is not just Countrywide; I am using it as an example. They began to offer hybrid mortgage loans. They offered loans where you paid interest only. You get a loan on your home, a new mortgage, and you pay no principal. You just pay interest only, and layer your principal in later at the end of the mortgage.

Well, that was not enough. They decided: Well, we will do a payment option adjustable rate mortgage. That allows the borrower to pay only a portion of the interest and none of the principal, and the portion they did not pay gets added to the back of the mortgage.

So you advertise, and you say: You know what, you have got bad credit, you have been bankrupt, you are a slow pay, your credit rating is in the tank, tell you what, we will give you a subprime loan. Do you know what? We will give you a loan at 2 percent. It will have to bounce up when it resets in a while, so you will have to pay a little

more later, but we got this housing bubble going on, you know, bubbles never burst. So buy this and flip it. If you cannot make the payment 2 years from now when the interest rate resets, you can flip the house and make $30,000, $50,000, $100,000, do not worry, be happy.

In fact, some of this comes from cold calls to the home from brokers in some cases making $10,000 $20,000, $30,000 in fees, saying: What you need is a new loan. It is a new loan that is going to have a 2-percent interest rate. And, by the way, when we tell you what your monthly payment is going to be, we are not going to tell you that you have escrow payments on taxes and insurance. That will not be part of what we tell you. So we will get you into this new mortgage loan, and we are going to have a prepayment penalty. You are locked into a circumstance where the rate is going to reset, and when it resets, you cannot pay it off early because you will have a big penalty. This from the largest mortgage lender in the country.

I don't know how one looks at this and understands the consequences of it for mortgage lenders that went hogwild. They then gave people subprime loans. It is called subprime because it doesn't quite measure up and has very unusual terms. What they do next with the subprime loans is they sell them quickly, and then they are securitized by perhaps a third party who sells them again, so they are sold in two or three cases. It is like putting sausage together, the old story about how sausage used to be made with sawdust. It is a filler used to make sausage. You get a container—in most cases the intestine—you fill it up with a little meat and sawdust, and then you slice it. That is what they did with these mortgages. They took some subprime, they took some others, they diced them, spliced them, securitized them, sold them two or three times.

Now we have a circumstance where a financial institution in France has a massive problem because they are holding securities they didn't know existed with subprime loans that were sliced and diced. What is the incentive for the investor to buy these? The investor is greedy. The broker is greedy. The mortgage lender is greedy. The investor who wants to buy these sliced-and-diced pieces of mortgage sausages is going to get a higher return because you have to reset the interest rate. That is going to jack rates way up, which means you get a higher return as an investor. Guess what. The center pole of the tent collapses, and everybody is standing around wondering what on Earth happened.

What happened was an unbelievable system filled with greed by everyone who should have known better, starting with television advertising that said, ''Get a loan from us even if you are in bankruptcy because we are interested in helping you out, even if you have bad credit,'' starting with that and ending on the other side with sophisticated investment banks and rating organizations believing they can buy these pieces of mortgage sausage that, at its fundamental, never added up, and they believe they can show big profits on their books. The result is now we see CEOs of some very large corporations who are not only losing jobs, but the corporations are taking writeoffs of $8 billion, $10 billion. This is going to be a casebook study of bad business in all business schools at some point.

The question is, How does it happen that all of this occurs outside of the view of regulators or outside of the concern of regulators? Where was the Federal Reserve Board when all of this happened? Where was Alan Greenspan? He was walking around scratching his head, worried that we were going to pay down the debt too rapidly in the first part of this decade. He was the enabler for George Bush for deciding that even though we don't have a fiscal policy that has yet produced 10 years of surplus—we had a surplus when President Bush took over, but the prediction was for the next 10 years—even though we didn't yet have that, he had an enabler in Alan Greenspan walking around scratching his head, trying to figure out how he could sell the Bush policy by saying: I am really worried we are going to pay down the debt too quickly and it will have an adverse impact on the economy. He, more than anybody, gave a green light to a bad fiscal policy. Even as that was occurring, he apparently was looking the other way in a determined manner as all of this was happening under his nose. It is the Federal Reserve Board, yes, but it is also other regulators as well who should have been involved. If ever there is a lesson that you need effective regulatory capability in a government, it ought to be now.

I was watching a wonderful series about the Presidency. It is documentaries about most of America's more recent Presidents during the last century. One of them was about Franklin Delano Roosevelt, something he did during the 1930s that was unbelievably controversial. During the 1930s, he decided banks should be regulated. He did that for a good reason. He decided there should be regulation of banks. He was excoriated by American business and by banks. What on Earth are you talking about? Why should banks be regulated?

The question is, What happened to effective regulation that began to be created over some decades to protect the public interest, when we now see in the year 2007 this kind of behavior, a subprime mortgage crisis that at its roots is devoid of common business sense? Yet it happened, and the smartest guys in the room—to describe the title of a movie dealing with Enron—apparently were the ones who constructed it. Now we all pay the price.

Warren Buffett, one of the wonderful business leaders in this country, says: Every bubble will burst. Part of the housing bubble was created by subprime loans and by all of these folks deciding: We are going to get all these mortgage instruments out there, even if they are not sound fundamentally. That helped exacerbate the bubble. The plain fact is, the bubble was destined to burst. Then what happened? What happened is what we see now—substantial financial chaos, some companies running, trying to figure out what happened, and we have a lot of victims.

George Will suggests that nobody is a victim who got a home loan. I beg to differ. The fact is, those who were getting cold calls from fast-talking mortgage brokers trying to put them in a mortgage they didn't quite understand and could not afford, those folks have been victimized. I don't pretend to know all the solutions, but I know the start of a solution is to decide, No. 1, you can't be peddling this kind of thing. We have seen it before in other decades. It almost always leads to collapse and chaos. Second, you can't effectively function in a financial system such as ours unless you have some regulatory capability.

I had recently written a piece about a new financing system that has emerged in our country and around the world—but especially it is developing here—that represents the dark side of money. It is the equivalent of the dark matter in the universe, the dark money that exists that is outside of the sight of anybody. When you take a look at what is happening with respect to hedge funds and derivatives, a whole series of things happening in our financial system that are outside of the regulatory capability or even the sight of regulators.

I gave a speech talking about where the price of oil is. One of the senior analysts of Oppenheimer says there is no reason that it ought to be 5 cents above $55 for a barrel of oil. There is no justification for the price of oil being a nickle above $55 a barrel. It is above $55 a barrel because the futures market for oil has become an orgy for speculation. We have hedge funds deep in the futures market for oil. We have investment banks in the futures market for oil. There are reports that some investment banks are actually buying storage facilities so they can actually take the supply off the existing inventory, put it in storage, and wait until the price goes up. There is so much going on in this country's financial system that desperately needs the capability for regulators to understand what is happening and take effective action to respond to it.

Mr. WEBB. Will the Senator yield?

Mr. DORGAN. I am happy to yield.

Mr. WEBB. If I may, this Senator came to the floor on other business, but I followed the Senator's comments with some fascination and gratitude, quite frankly. I admire the Senator for coming down here week after week and addressing issues that in many cases are conceptual issues that don't usually get the time for consideration in

this body. One of the events that came to my mind when the Senator was talking about Franklin Roosevelt's administration and his willingness to regulate banks—and we have seen such a push of late against any sort of Government regulation—was when Andrew Jackson vetoed the charter for the second national bank, which was an act that Historian Vernon Louis Parrington termed ''the most courageous political act in American history.'' Andrew Jackson did it for exactly the same reasons as the Senator from North Dakota is stating. What Andrew Jackson said at that time was that if the charter of the second national bank came into place, it would have created and perpetuated an unbridled aristocracy in the United States. It would have allowed the continuation of aristocracy in a nation that was supposed to be a democracy.

I particularly associate myself with the remarks of the Senator when it comes to the verticalization of our communications industry. You can look back in history. Whenever authoritarianism takes hold of a nation, they do it through three entities. They take out the ability of people to worship. They attempt to decimate the family, and they go after the ability of people to speak freely. In some cases, this verticalization, it can be argued, is simply economic. But certainly in a lot of areas, when you have this verticalization of ownership from film to TV to local TV stations to newspapers, it can affect people's access to information. It can affect people's ability to make reasoned judgments.

I wanted to interrupt the Senator for a few minutes to state my appreciation for his coming to the floor week after week and making these points. I will be very strongly desirous of working with him on both of those issues.

Mr. DORGAN. Mr. President, I appreciate the comments of the Senator from Virginia. He said something about a year ago that I have long remembered because it is something I have been concerned about. He was talking about the economy and about concentration in the economy. It relates to what I was describing about big companies and the media. Senator WEBB talked about the fact that we have reached a point now where the average CEO in America makes 400 times what the average worker makes.

I was doing some writing the other night about this issue. I talked about hedge funds a few moments ago and their role in the subprime mortgage scandal. I was talking about what hedge fund managers are earning. From a recent Alpha Magazine report on compensation—the hedge fund manager who earned the most last year made $1.7 billion. James Simons did that. And $1.7 billion means he makes in 1 hour what the average worker makes in a year, but he makes it every hour. The point I am making about this is the skewed nature of this economic system of ours and what is happening in it.

My colleague will know that in recent days we have had a debate with President Bush about who the big spenders are and so on. The biggest spender by far has been President Bush. He has sent us budgets that represented the highest amount of spending and the biggest deficits we have had for a long time. When we tried to pay for some things, we said: Let's do certain things and pay for them. The President said: Not on your life. We will not allow you to pay for these things.

Here are the things we wanted to do to pay for some of those things, some things that were worthy—for example, extending incentives for renewable energy and so on. We said: Those people, including hedge fund managers, who are making a lot of money and are paying a 15-percent income tax rate, which is a lower rate than the receptionist in the office down the street is paid, they should be paying an income rate like all Americans. The President said: Not on your life.

We described in a picture what is happening. We said: We want to shut down tax scams that allow Wachovia to buy a sewer system in Germany, not because they have expertise in German sewers; they want to buy the assets of a German sewer system so they can write off hundreds of millions of dollars in taxes they would otherwise owe this country. The President said: No, you can't be doing that. That is a tax increase.

From David Evans, a really great reporter, I got a picture of this building, the Ugland House, some while ago. This is a 5-story white house in the Cayman Islands, home to 12,748 corporations. Are they there? No, it is a legal fiction. Lawyers have put them there legally so they can avoid paying U.S. taxes. The President doesn't want to shut those things down. He said: No, if you shut this sort of thing down, we call it a tax increase, even as the President is protecting these unbelievable opportunities for the wealthiest to avoid paying taxes, at a time when the debt is increasing dramatically.

Here is what the President has done since the year 2002. He sent us emergency requests, none of it paid for, and said: I want it all added to the Federal debt. In 2002, he said: I want $50 billion. In 2003: I want $76 billion. I don't want to pay for any of it. Add it right to the debt. I am sending soldiers to Iraq and Afghanistan. When they come back, they can pay for the debt. In 2004: I want $87 billion. In 2005: I want $82 billion. In 2006: I want $92 billion. It is all emergency money outside the budget, all added to the Federal debt. In 2007: I want $103 billion. And in 2008: I want $196 billion.

He has asked for over two-thirds of a trillion dollars and wanted to charge it all to future generations, and he has gotten by with it. Then he sits in the Oval Office and says: Well, I am the fiscal conservative. I do not think so. I grew up in a small town. I understood what a Republican was. They are an important part of this political system. The one thing you could count on from real Republicans is they believed you ought to balance budgets. It is what it was in my hometown. It is what it used to be in this Chamber.

Now, that new brand is: Let's spend money, and let's add it to the Federal debt. This is not some Democrat that is doing this; this is President George W. Bush asking for over two-thirds of a trillion dollars and asking that none of it be paid for. We will send soldiers to war, but we will not have the courage to ask the American people to help pay the bill.

In recent days and weeks, we have been treated to quite a sideshow of this administration describing their view of fiscal responsibility. They have said the Senate wants to spend $22 billion more than the President in this year on things such as health, education, taking care of sick kids, improving America's classrooms, energy—a whole series of things—weather assistance, home heating fuel in the winter. For all of these things, the President says no. He says: You want to spend more than I do here at home, so you are big spenders. You are $22 billion over my number. And, oh, by the way, I am $196 billion over your number. He says: I want that, and I don't want any of it paid for.

I think it is long past the time to start taking care of a few things at home, and I think there is a right and a wrong way to do it. It is time we pay for that which we spend, and there are plenty of ways to do it. If we have the richest people in the country paying 15 percent tax rates, I think they ought to pay what others pay.

As I said, the second richest man in the world, Warren Buffett, is a remarkable businessman and an interesting guy and somebody I have had the opportunity to know over the years. He said he did a little test in his office in Omaha, NE. I think he said there were 30 or 40 people who worked in that central office. He checked—with the cooperation of his employees—to find out what their effective tax rate was. Guess what. The lowest effective tax rate in his office was Warren Buffett's. And he said, to his credit: That is just wrong. Why should I pay a lower tax rate than the receptionist in my office? This is from the world's second richest man.

Very few in that stratosphere in income will take that position. Most of them are spending a lot of money to try to preserve what they have: a 15-percent tax rate. In many cases, the top hedge fund managers in this country are paying the 15-percent tax rate on massive earnings, and they have this President in the White House trying to do everything he can—and so far successfully—preventing those of us in the Congress who want to say to the wealthiest Americans: Pay the tax rate that the rest of us pay, that everybody else pays.

The point I wanted to make, very simply, is this: The President has made a big cause in recent weeks about being a fiscal conservative. There is nothing fiscally conservative about an administration that took a very large budget surplus and turned it into very large budget deficits. There is nothing conservative about protecting tax breaks for the wealthiest Americans. There is nothing conservative about proposing two-thirds of a trillion dollars of spending and wanting to add it to the Federal debt. That is not conservatism. That is reckless fiscal policy and one that ought to change.

One final point: The President, today, is signing an energy bill. We wrote an energy bill, and it is a good bill. It comes up short in two areas. We should have increased renewable energy provision in it that requires that all electricity produced in this country should be produced with 15 percent from renewable resources. That ought to be in the bill. It is not in the bill that passed.

Second, we ought to have had the extenders, extending the production tax credit and other incentives for the renewables and other sources of energy in order to make sure we are going to continue to push on renewable energy incentives.

But having said that—we did not get that because of the President and his supporters—having said that, here is what we did get: We got an energy bill that, for the first time in 32 years, requires Detroit and the auto companies to make automobiles that have better gas mileage, 10 miles to the gallon in 10 years, beginning in the year 2011. That is a significant change. I am proud to have been a part of causing that change. I was the principal author of a legislative initiative supported by SAFE, Securing America's Future Energy. That called for the increase in reformed CAFÉ standards. It called for a substantial increase in renewable fuels, which we have done by a 36-billion-gallon renewable fuels standard to be achieved by 2022.

We have a title that is very good dealing with conservation and efficiency of virtually everything we use in this country today. We get up in the morning, we turn on a switch, and then we turn on a key. We see light, and we start the car. We don't think much about energy, but it is central to our lives.

We are so unbelievably dependent on foreign sources of energy. Sixty percent of the oil we use comes from outside our country, much of it from troubled parts of our world. We have to change that.

I am proud of the bill we have passed in this Congress. It is a significant accomplishment. We need to come back next year, and do the renewable energy piece, saying every kilowatt of electricity produced in the country should have 15 percent renewable. We can take energy right from the wind, and we can extend America's energy supply with renewable energy.

I think while there are a lot of reasons we did not make as much headway as we would have liked in this Congress—we are, after all, only 51–49 in the Senate and about the same percentage in the U.S. House and a President who has a veto pen. Despite all of that, for the first time in nine years we increased the minimum wage. Those folks working at the bottom of the economic ladder—the ones who work two jobs, sometimes three jobs. I believe in 60 percent of the cases, it is a woman trying to make ends meet, often trying to raise a family—for the first time in 9 years, we increased the minimum wage to say to them: You matter as well. You are at the bottom of the ladder, but there are ways we can help you. And an increase to the minimum wage is a significant accomplishment.

We passed a reauthorization of the Higher Education Act, and that was significant. We increased Pell grants and student loans. We did some important things in Congress. We passed an energy bill at the end.

Would we have wished we could have done more? Sure. But the fact is, with this President in the White House, we were not able to get all the things we wanted to get done. But we will. The future is about change. The agenda that we care so much about is about change, about pivoting and beginning to take care of things in this country that have long been neglected.

Having said all of that, I feel optimistic. I like what we have done. I know this is a time that is very frustrating for the American people for a lot of reasons: the war in Iraq, the subprime loan scandal, the massive scandal of waste, fraud, and abuse in contracting for the war in Iraq and Hurricane Katrina, the most significant waste, fraud, and abuse in the history of this country.

I know why people are upset. They are upset about jobs going overseas, trade policies that, in my judgment, are bankrupt in terms of standing up for this country's interests. But the fact is, all of those things are things we can change. Step by step, we can make these changes. That is why I feel optimistic.

Mr. President, with that, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SANDERS). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WYDEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

HEALTH CARE

Mr. WYDEN. Mr. President, anytime I am home in Oregon or have a chance to travel around the country, when I hear citizens talk about Government, they zero in on one word above all else. That word is ''change.'' Americans want change in our foreign policy. Americans want change in our energy policy. And above all, Americans want change in our health care policy at home.

So this afternoon I am going to spend just a few minutes talking about some of the most urgently needed changes in American health care, and then how the Congress can go about setting those changes in place.

Above all else, Americans want changes in health care costs so as to hold down these staggering expenses. This country is going to spend $2.3 trillion this year on health care. There are 300 million of us. If you divide 300 million into $2.3 trillion, you could go out and hire a physician for every seven families in the United States. That is how staggering the health care costs are in this country. You could literally go out and hire a physician for every seven families in the United States, pay that doctor $200,000 for the year, and say: Doctor, your job for the year will be to take care of seven families.

In fact, I know the Presiding Officer has a great interest in health care as well. Whenever I bring this up at a townhall meeting, and physicians are in the room, they usually say: Where do I go, Ron, to get my seven families? Because they think it sounds pretty good to change the American health care system so they can do what they were trained to do, which is, to be advocates for people, to stand up for their patients, to make sure they get the best shake for American health care.

Certainly, employers want changes to hold down the costs of health care. Today, if you are opening a business in Coos Bay, OR, or Stowe, VT, you are competing in the global marketplace. You essentially spot your foreign competition something like 20 points the day you open your doors in Vermont or Oregon or anywhere else. That is because your premiums go up 13, 14, 15 percent a year, and your foreign competition benefits from national health insurance. So that is what these crushing costs mean for the business community.

If you are lucky enough to have health insurance in our country—and because the costs are going up so high—you are literally one rate hike away from going without coverage.

One of the reasons the costs hit people with insurance so hard is that today in America, if you have coverage, you also pick up the bills for those who don't have coverage. I am sure the distinguished Presiding Officer of the Senate hears the same thing I do at home. Somebody who has coverage, for example, is in a hospital and looks at the expenses and the bill and it says something like Tylenol, $60. A citizen comes to one of us at a townhall meeting and says to us: What do you mean Tylenol costs $60? I could have gone to CVS or to some other pharmacy and I could have gotten Tylenol for $20. Why did it cost me that much? The reason it costs that much

for somebody who has insurance is there are a lot of people in the hospital who don't have coverage and they couldn't pay for their Tylenol, so the cost gets shifted over to the people who are insured.

So first and foremost, when it comes to changes in health care, we need changes that rein in these staggering costs—costs that are going up far beyond what cost increases are elsewhere in the world.

The second area that is so critical to change in American health care is lowering the administrative costs in American health care. We have higher administrative costs than any other country on Earth. Once again, you see it at home and in your State when physicians and others come to you. In my home State, in a typical doctor's office with a few physicians, there is one person who will spend the entire day on the phone essentially trying to pry out information from insurance companies as to what they will pay on one claim or another. These are clerks trying to get information about an insurance company matrix, trying to figure out what will be spent because this country still lacks a uniform billing system because there are so many differing systems of paperwork and charges. This country's staggering administrative costs are an area that desperately needs to be changed in American health care.

Most other parts of the country have simplified their record-keeping and their administrative costs. They use electronic record systems. Today, for example, the typical doctor's office has less technology to hold down administrative costs than the corner grocery store. So second on my list of changes to American health care are steps that would be taken to slow and reverse the crushing increase in administrative costs, hassle for doctors, and needless time and heartache that go into administering American health care.

The third area of change—something I know the Presiding Officer feels very strongly about—is moving health care to prevention and wellness rather than sick care. The fact of the matter is that in the United States we don't have health care at all. What we have is sick care. The Medicare Program shows this more clearly than anything else. Medicare Part A, for example, will pay huge checks for a senior citizen's hospital bills. The check goes from the insurance carrier to a hospital in Vermont or Oregon or anywhere else—no questions asked. Medicare Part B, on the other hand, the outpatient portion of Medicare, will pay virtually nothing for prevention—virtually nothing to keep people well, to keep them healthy, and to keep them from landing in the hospital and racking up all those huge hospital expenses under Part A. That is a bizarre way, in my view, to run the Medicare Program. In fact, the Medicare Program, which is so biased in favor of sick care rather than wellness and prevention, runs the biggest outpatient program in the country that offers no rewards for, for example, lowering your blood pressure, lowering your cholesterol, stopping smoking. The biggest outpatient program in the United States is Part B of Medicare. Available to more than 30 million older people in our country, it is the biggest outpatient program that offers no rewards for sensible prevention. We have to change this bias. We can look at the problem in this country of childhood obesity and the onset of type 2 diabetes. If we don't focus on prevention, wellness, and keeping our citizens healthy, we will see these continued increases in the costs of chronic care later in life, when heart disease, stroke, diabetes set in and our country racks up still additional health care costs because there has been no focus on prevention.

Finally, it seems to me there has to be a much sharper focus on improving quality in American health care. When people talk about changing health care, they usually focus first on costs and that is why I brought it up initially. But they also want to make sure they get better quality care. Right now, with citizens reading reports, for example, from the Institute of Medicine—about thousands and thousands of needless deaths, hospital deaths, other deaths—it is obvious that steps need to be taken to improve the quality of our health care. Some of them are steps that certainly sound fairly simple: Better infection control in our health care facilities, making sure sensible steps are taken after an individual has a heart attack. Clearly, there needs to be more focus on early diagnosis of illness, which I think is part of a continuum of better quality care that starts with prevention and zeroes in on early diagnosis. But those are some of the areas I think need to be changed.

The reality is the reason for all these changes and the reason why the country wants them is the health care system hasn't much kept up with the times. For more than 150 million people, the employer-based system is pretty much what we had in the 1940s. I talked earlier, for example, about the crushing toll it takes on employers, where they spot their foreign competition 18, 20 points the day they open their doors. But let's think about what it means for individuals.

Right now, I can tell my colleagues a lot of individuals are very concerned, as they see their employer hit with these crushing costs and that every year their package will be skinnied down. There will be more copayments and fewer services, and a lot of them are very worried about whether their employer will be able to offer coverage at all. A lot of individuals come to me at townhall meetings and say: Ron, I am 56, 57. I am not sure my employer is going to be able to hold onto our coverage at work, and what will I do if I lose coverage at work and I am not yet eligible for Medicare. This, of course, would mean they might be without coverage between 57, 58, and 65. You can't be without health care coverage, as the Presiding Officer knows so well, for 7 or 8 years.

So the individual who has coverage at work is worried about the trends, and in a lot of instances, that worker feels job-locked. They would like, for example, to look at another position, say another position that paid more, but they can't do that because they fear if they gave up their current position, they would go into the marketplace and they would be uninsurable. They might have an illness. They might have had a previous health problem. They know what goes on in much of the marketplace—that there is a lot of insurance company cherry-picking and that the insurance companies screen out people who have these health problems and try to send them over to Government programs. So a lot of our citizens feel job-locked and unable to move. It is why I think one of the most important changes that is needed in American health care is to modernize the employer-employee system. Because what we have today in 2007 isn't all that different from what we have had since 1947. My view is that will be one of the most important changes the country needs to look at in American health care.

Finally, let me touch on the other side of the prevention coin in American health care. If we don't make changes and improve our system of health care prevention, what is surely going to happen is we will face increased costs for chronic health needs in America. Already, the evidence shows something like 6 percent of the Medicare population consumes 60 percent of the overall Medicare bill. These are the people who have problems with heart and stroke and diabetes—and the costs of chronic care go up and up and up. A modern health care system, one we ought to be looking at going to in the future, would put a better focus on chronic care management. So when you have an individual, for example, with several of these conditions, there is an effort among physicians and others to coordinate care. One of the best ways to do that is to have something which has come to be known as a health care home, where, in effect, an individual—a patient—can designate one person to coordinate their care when they have these multiple kinds of problems. But talk about the need for change: The Government does virtually nothing to promote the chronic care management which I have described and have had a chance to talk about with the Senator from Vermont.

So we are going to have a chance to go home now for a few weeks and go to the townhall meetings and the Chamber of Commerce lunches and the service clubs. We are going to hear citizens talk about their hunger for change in a lot of areas: foreign policy, energy policy, education policy—a variety of areas. I think what they are going to

talk about when it comes to addressing their concerns here at home is the need for change in health care policy in America. They are going to talk about what is going to be done to contain the costs, what is going to be done to reduce some of the mindless paperwork, how we can put more focus on prevention and wellness, make better use of health care technology, and offer sensible policies that reward the coordination of managing cases for individuals with chronic conditions. These are the key areas they talk about. It all comes down to a health care system that doesn't work very well for them, No. 1. The issue becomes how can it be that a country such as ours—the richest country on Earth, with all these wonderful doctors and hospitals—cannot figure out how to meet the health care needs of our people.

I believe we know what needs to be done. I have tried to outline a number of these key areas. As the Senator from Vermont knows, I have offered legislation with Senator BENNETT of Utah—we have 13 cosponsors on a bipartisan bill—that addresses these kinds of concerns. But now, when we are home and we have a chance to listen to folks, I think we will have a chance also to talk about real priorities for our country, the changes that are needed. We need to especially talk about the changes that are needed in American health care so this country can end the disgrace that we are the only Western industrialized Nation that hasn't been able to figure out how to get basic, essential health care for all our citizens. We are up to it. It is now a question of political will and our willingness to embrace change.

I have appreciated the chance this afternoon to outline some of the most important changes that are needed.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

CRIMINAL BACKGROUND CHECK IMPROVEMENT ACT

Mr. COBURN. Mr. President, later today, Senator SCHUMER will bring up the Criminal Background Check Improvement Act, which is an important piece of legislation. When this bill was originally hotlined, we asked that it be held so that we could discuss the improvements to the bill.

This bill came out of the tragedy at Virginia Tech. It is important that the American people understand that what we are changing in this bill would not have prevented what happened at Virginia Tech. What happened to the individuals there was because the law we have on the books was not followed by the State of Virginia. They recognized that shortly thereafter and have made corrective action to it.

What is also important to note is that under the previous legislation we have had, over $400 million a year was authorized to help the States implement the programs so that somebody who is truly a danger to themselves or others or has been admitted to a mental institution and considered mentally defective—that is a term of the bureaucracy—is not allowed to purchase a gun. We all agree to that in this country. So when you don't follow the law, the laws don't work. Consequently, the families are suffering great grief at this time because the law wasn't followed.

Too often, the first reaction of Congress is to hurry up and pass a bill. There are and have been in this bill some good ideas. But there were some bad ideas. The idea of holding the bill to be able to work with those who are offering the bill to get improvements has come about. The principle is this: As we protect people from the dangers of weapons by withholding both criminals and those people who constitute a threat to themselves and others, we can't do that if we are going to step on the rights of those who have a right and who are not in that category.

I wish to take a moment to thank Senator SCHUMER for his hard work and Elliot of his staff for his hard work and to recognize my staff, Jane Treat and Brooke Bacak and others on my staff who worked through the last couple of months to improve this bill. We have come out to make sure those people, veterans in this country who go out and defend, with their lives, bodies, and their futures, our rights, aren't inappropriately losing their rights under this legislation.

It is interesting for the American people to know that at this time, if you are a veteran and you come home with a closed head injury and you resolve that, then, in fact, by the time you wake up and recover over a year or 2-year period, you will have lost all your rights to bear an arm to be able to go hunting, to be able to skeet shoot, to be able to hunt with your grandchildren, without any notification whatsoever that you have lost that right. That is the present law. That is what is happening.

We have 140,000 veterans with no history of mental deficiency, no history of being dangerous to themselves or others, who have lost, without notice, their right to go hunting, to skeet shoot, to have that kind of outing in this wonderful country of ours in a legal, protected sense. What this bill does is it attempts to address that by giving them an opportunity for relief. It mandates that, first of all, they are notified if that happens to them so that they know they are losing their rights. What a tragedy it would be if a veteran who lost his rights but doesn't know it becomes incarcerated under a felony for hunting with his grandson because it is illegal for him to own, handle, or transmit a weapon? That is not what we intended to do in this Congress some 10 years ago. Yet that is the real effect of what is happening.

Consequently, we are at a point now where we have agreed with the fact that we want to make sure—and we want to put the resources through this authorization—it covers those who could be a danger to themselves and others, and we are going to help the States implement this law, the law on the books, by authorizing significant sums to do this. It is not a new authorization; $400 million was authorized before, but the appropriators didn't appropriate it. They chose to make a higher priority. The most ever appropriated under this, I think, was $23 million a year.

So, in fact, what we want to do now is say we mean it, which means when it comes to appropriations time, this authorization will have no effect unless, in fact, we appropriate the money to the States to carry out this notification system. It is something we can and must do. It shows that when we work together to solve the problems and protect the future and honor the Constitution, the rights under the Constitution, we can do that if people of good faith and of good intent work together to solve that.

My compliments to Senator SCHUMER and his staff and Hendrik Van Der Vaart on my staff for the hours and hours we have put in to make sure this happened.

A couple other key points. Sometimes the bureaucracy delays whether or not you are on this list. So we have said that, at the end of the year, if they can't decide, it is going to be adjudicated that you cannot have a gun and you will have to prove that you can. That is fair enough, provided we create the means with which you can recover the cost of that adjudication. So if, in fact, you get to Federal court and you win your case that there is not anything wrong with you, the Federal Government is going to pay your lawyer's fees and return your rights—the rights given to everybody else in this country—return your wrongly denied rights back to you.

Therefore, we really, truly do give access to those who have been injured under this law and, at the same time, protect the rest of the American public from those who could be injured when we don't follow the law.

I also pay tribute to Congresswoman MCCARTHY. I served with her in the House. She has been dedicated to this issue for years. She suffered a terrible tragedy herself at the hands of somebody who was obviously deranged. This will mark a milestone for one of the things she wanted to accomplish during her service in the Congress.

It is my hope that others will not hold this bill. It is my hope that when it comes appropriations time, the moneys that are necessary to put the people who really are a danger to themselves and others on the national criminal background check, that they will get there, and that those who should not be there will not be there. So it is a balance, a balance for protection, but it is also a balance to preserve rights, especially for our veterans—the very people who continue to

protect our rights. They are going to be preserved.

Myself and Senator SCHUMER sent a letter to the ATF asking them to reconsider some of the wording in their ruling because it puts people in there who should not be. We are hopeful that they recognize that, and that they, because of a bipartisan query, do a rulemaking process that really directs this where it should be. When that happens, we will have finished everything we need to do, except get the dollars appropriated to implement this act.

Again, my hat is off to Senator SCHUMER and those who have worked tirelessly to get this done. It is with great appreciation for the manner in which it was handled, and it is my hope that we will pass this on and see the great accomplishments of protecting people from those who are a danger to themselves and others.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I see that the very able Senator from New York, Mr. SCHUMER, is on the floor. May I ask if he wishes me to yield to him.

Mr. SCHUMER. Mr. President, I ask my colleague from West Virginia if he might yield to me 5 minutes.

Mr. BYRD. Mr. President, I am glad to do so.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. Mr. President, first, I thank my distinguished colleague and our great leader from West Virginia, Senator BYRD, for yielding. Unfortunately, at the end of session, there are many needs that intercede.

We have just heard that the hold on a bill will be lifted. I want to get it moving so it can get over to the House before they leave. Once again, the Senator from West Virginia is not only gracious and capable, but he has been kind to me from the day I came to the Senate, and it is something I will always treasure. I thank my friend.

Mr. BYRD. I thank the Senator.

NICS IMPROVEMENT AMENDMENTS ACT OF 2007

Mr. SCHUMER. Mr. President, I rise in support of the Leahy-Schumer substitute to H.R. 2640, the NICS Improvement Amendments Act of 2007. I have just been told a hold which had been placed against this bill is about to be lifted.

At its core, this bill does something that has been too long in coming. It gets States critical resources they need to upgrade the mental health and conviction records they use to screen prospective gun buyers.

These records go into the national instant criminal background check system, the NICS, that we rely on to screen for those who should not be allowed to buy guns. It has the support, I am proud to say, of both the Brady organization and the NRA. This was a collaboration that occurred over the last year.

I also thank my colleague from Oklahoma, Senator COBURN, and my colleague from Massachusetts, Senator KENNEDY, because both agreed last night on final language.

Today, millions of criminal and mental health records are inaccessible to the NICS, mostly because State and local governments have noncomputerized or outdated records. Furthermore, the process is spotty, as States are not required by law to turn over all pertinent information that could prohibit a person from buying a gun. As a result, many people who simply should not have guns are allowed to purchase them.

This bill will address that problem. In a word, without affecting a single law-abiding citizen's gun rights, the bill will make America safe.

I started working on this legislation a long time ago in 2002, along with my colleague Representative CAROLYN MCCARTHY. That was when on Long Island, in my State of New York, a gunman who was a paranoid schizophrenic slipped through the cracks of the system and bought a .22 caliber semiautomatic rifle. He then took that gun, walked into a morning service at Our Lady of Peace Church and gunned down its beloved priest and one of its most prized parishioners.

So Representatives CAROLYN MCCARTHY, JOHN DINGELL, and I worked on legislation to help improve the background check system. We wanted then, as we do now, to make sure no more dangerous people are allowed to get guns.

Over the years, as it often does, the political process played out. It would pass one House but not the other, and the bill was stalled.

As this has gone on, we have not stopped working and have kept alive the faith this legislation would one day become law. Through it all, every one of us hoped desperately that there would not be another preventable tragedy, another time when the system failed. But on April 16, 2007, our deepest fears came true.

I do not need to recite the facts of what happened at Virginia Tech. Every one of us is aware of the unspeakable horror that took place on the campus last April. We can never know if we could have prevented the shootings. What we do know, however, is that a very dangerous individual with a history of mental illness was allowed to buy two handguns.

It is a shame that we are again called to act on this 5-year-old legislation in the face of tragedy. But now is Congress's moment to take a huge step toward fixing a broken system.

The House passed a bill on June 13, 2007. Around the same time, Chairman LEAHY and I began work on a similar bill. As I said before, I thank Chairman LEAHY for his leadership in recognizing the importance of this issue. We attempted to pass the bill by unanimous consent. Senator COBURN, as was his right as a Member of the body, held the bill based on concerns he had.

Rather than try to go around our colleague, we worked with him. And I must say, from the beginning, Senator COBURN acted professionally, respectfully, and in good faith.

When it comes to guns, I do not agree with TOM COBURN on much, but he and I sat down at length and worked through our differences on this bill. I can say with full confidence, this bill is something on which both of us can agree.

At the heart of the concerns of my friend from Oklahoma were fears the bill, as originally drafted, could have the unintended consequence of jeopardizing the rights of law-abiding veterans.

This not being a gun control bill, and it has never been our intent to jeopardize the rights of lawful citizens and veterans, we have made changes to address our colleague's concern, and he told me he will lift his hold as a result.

Remember, I was an original sponsor of the Brady bill. I care about seeing the background check process work the right way. I will not support legislation I believe will hurt the system. But today we have a great accomplishment. It is fitting that at the end of this session we are there, proud of the bipartisan process. Chairman LEAHY, Senator COBURN, Senator KENNEDY, and I came up with a solution last night at about 11 p.m. on the floor. Senators COBURN and KENNEDY shook hands, as I watched, and we have come to an agreement. Through all this negotiation, this bill has the backing of both the Brady Campaign to Stop Gun Violence and the National Rifle Association.

So now the hard work is done. We must pass this legislation. We must get it back to the House for them to pass again before they adjourn, and then we must get it on the President's desk to be signed into law. The parents of Virginia Tech families and millions of other Americans, including those at Our Lady of Peace congregation on Long Island are waiting for this moment. We have waited a long time. As citizens and parents, we must do everything to see that we do not have another Our Lady of Peace shooting or another Virginia Tech shooting. I urge my colleagues to support the legislation.

I will say again this is an example of how the system should work, and in a few moments I will be asking unanimous consent to move the bill forward, but before doing so, I yield my time to my colleague from West Virginia, because they are doing the paperwork, and I thank my colleague from West

Virginia for his courtesy and his kindness.

The PRESIDING OFFICER (Ms. LANDRIEU). The Senator from West Virginia.

CHRISTMAS SPIRIT

Mr. BYRD. Madam President, soon the Senate will recess for Christmas. Members will travel home to their families and to their States to share in Christmas parades and tree lightings, Christmas cantatas, and festivals of lights. They will decorate their own trees and attend the Christmas season celebrations in their own churches. Some will make trips to Iraq or Afghanistan, while others will comfort people who are struggling to recover from wildfires or the recent devastating snow and ice storms that have left so many homeless and without power. I join in the prayers for their swift recoveries, and I rejoice in the fellowship and the support that are flowing to Americans in need all across the Nation and all around the world. That fellowship and that support is the true spirit of the Christmas season.

Everywhere, everywhere, Christmas tonight!
Christmas in lands of the fir-tree and pine,
Christmas in lands of the palm-tree and vine,
Christmas where snow peaks solemn and white,
Christmas where cornfields stand sunny and bright.
Christmas where children are hopeful and gay,
Christmas where old men [like I] are patient and gray,
Christmas, where peace, like a dove in its flight,
Broods o'er brave men in the thick of the fight;
Everywhere, everywhere, Christmas tonight!
For the Christ-child who comes is the Master of all;
No palace too great, no cottage too small.

Christmas is a special time, no matter where the season finds us. Somehow, Christmas lights create their special magic, whether they are hung on snow-laden pine trees or wrapped around stately palm trees. Christmas carols never fail to bring a nostalgic glow, as they bring to mind our childhood celebrations. The smells and fragrances of Christmas recall their own delightful memories—the tang of pine boughs brought indoors, the spicy warmth of cinnamon, cardamom, cloves and mace, the licorice scent of anise, the exotic aroma of nutmeg. Christmas baking is one of the best parts of the holiday—Erma always looked forward to that part. Christmas baking is one of the best parts of the holiday, she would say—as the house fills with mouth-watering aromas. My own childhood Christmases were spare, not lavish, but they were full of love, given to me by a wonderful old couple who have gone on now to meet their reward in heaven.

Today's Christmases should be full of special food and lots of music, and if it were like it used to be, it would be played by me, that music would be, on my fiddle, to entertain my mom and dad, their friends and their borders. My mom ran a boarding house. We never had very much at Christmas, not much compared to some of the extravagant gifts advertised these days, but our simple celebrations left us more time to enjoy some company or the church services or read a Christmas story together.

Every family, every town builds its own Christmas traditions. Some families visit or host Christmas open houses. Other families gather for a traditional Christmas meal. In some towns, people bundle up to watch floats go by in the annual Christmas parade, followed by a tree lighting ceremony. We have done that in the Nation's capital. I myself have lit the tree. There are Christmas tree lighting ceremonies at the White House and on Capitol Hill. At Arlington Cemetery and at other veterans cemeteries around the Nation, the simple act of a single man has grown into a Wreaths Across America, an effort to put fresh wreaths on the graves of veterans across the Nation, honoring those who will never be home again for Christmas. Other volunteer efforts send living Christmas trees to the troops overseas so they, too—our troops, your troops, my troops; our soldiers, sailors, and our airmen—can share in the Christmas season. In the busy press of family traditions, it is heartwarming to discover how many people still find time to remember and celebrate the sacrifices made by others.

Although Christmas can bring with it even busier schedules for already busy people and monetary stresses for parents trying to make the day a special holiday for their children, it is important to recall the greatest gift of Christmas is the one embodied in the nativity scene—the great gift of unconditional love and hope wrapped in swaddling clothes, given by our Creator—our Creator Almighty God—to inspire us with His teachings of good will and caring toward all men.

And so, my colleagues, my friends, dear ones all of you; staff, those who watch over us every day, it is my Christmas wish that we all keep more of that Christmas spirit with us throughout the coming year. Charles Dickens said it best:

I will hold Christmas in heart, and try to keep it all the year.

I guess it was the American editor and author, Oren Arnold, who lived from 1900 until 1980, who suggested a wonderful Christmas gift list for all of us:

To your enemy, forgiveness; to an opponent, tolerance; to a friend, your heart; to a customer, service; to all, charity; to every child, a good example; to yourself, respect.

Madam President, I wish you and Louisiana, near the great bay and the waters which wash over the soil on which I used to walk with my wife—I wish you, Madam President, and everyone listening, a very Merry Christmas and a Happy New Year filled with peace and happiness. My God bless you all.

I yield the floor.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. Madam President, first I extend my holiday greetings, my Christmas greetings, to my colleague and friend, Senator BYRD, as well as to you, Madam President, and my colleagues from New Jersey, Pennsylvania, and everyone else in this Chamber. May God give a wonderful year to them and their families.

Madam President, I thank you for your help with this next particular issue.

The PRESIDING OFFICER. The Senator from New York is recognized.

NICS IMPROVEMENT AMENDMENTS ACT OF 2007

Mr. SCHUMER. Madam President, I ask unanimous consent the Judiciary Committee be discharged from further consideration of H.R. 2640 and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 2640) to improve the National Instant Criminal Background Check System, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. LEAHY. Madam President, today, the Senate took an important step forward to improve the National Instant Criminal Background Check System, NICS, the Nation's background check system for gun purchases. Along with Senator SCHUMER, I have worked hard to craft this compromise legislation that respects the rights of gun owners and, at the same time, makes sure that the NICS system will work more effectively. This compromise has not been easy, as many have strong views on issues surrounding this bill, but working with Senators on both sides of the aisle, we have forged strong, fair legislation to address serious shortcomings in the Federal program. Throughout the process, we have taken great care to make sure Federal law governing who can own or possess a firearm remains unchanged. The Senate language makes clear that the correct records will go into the NICS system, that any records improperly in NICS will be removed promptly, that legal notice and due process considerations will be required in Federal proceedings, and that the States have sufficient support to meet the goals of the bill. We have been responsive to the legitimate concerns of veterans and advocates on both sides of the issue, and at the same time, we have worked hard to correct weaknesses that have been exposed by the tragic events of the last year.

The senseless loss of life at Virginia Tech this spring revealed serious flaws in the NICS system, particularly in the transfer of mental health information

relevant to gun purchases between the States and the Federal Government. Deficiencies in the current NICS system, including a significant lack of funding, permitted the perpetrator of this terrible crime to obtain firearms and ammunition despite having a mental health history that made him ineligible to buy or possess a firearm under Federal law. He was able to pass a background check and purchase the weapons he used in his attacks because data was missing from the NICS system.

In response to this devastating tragedy, the Judiciary Committee worked hard to produce a comprehensive legislative proposal related to issues of school safety, and in August unanimously reported the School Safety and Law Enforcement Improvement Act of 2007, SSLEIA, to the full Senate. As part of this legislative package, we drafted title II of SSLEIA to include an amended version of the NICS Amendment Improvement Act of 2007, H.R. 2640, that passed the House in July. Today, the Senate passed a revision of title II from SSLEIA, as the Leahy-Schumer amendment to H.R. 2640, which closes the gaps in the NICS system that allowed the purchase of the firearms that were used in the Virginia Tech killings. I hope the House of Representatives will take up and pass H.R. 2640, as amended, as soon as possible.

The Leahy-Schumer amendment largely mirrors the language of H.R. 2640 as passed by the House. But it also makes modest but important changes to that bill in order to ensure this new law works effectively and fairly for all Americans. It creates a legal regime where the reporting of disqualifying mental health records, both at the State and Federal levels, will be improved. This bill will also require Federal agencies to report mental health and other disqualifying records into NICS and would create significant new incentives for States to report this same information. These basic features of the amendment are the same as in the House bill. Additionally, the bill contains provisions directing Federal agencies to establish relief from disabilities programs through which individuals who have overcome a disqualifying mental illness or disability may reclaim their rights, and urges the States to do the same.

As I reviewed this issue, however, I determined that additional changes were necessary both to improve the NICS system further and to better enable States like Vermont to implement these improvements. By tempering the penalties for insufficient participation by the States in meeting the bill's goals, and increasing incentives for full participation, I am hopeful that the bill will strengthen the partnership between Federal and State authorities in search of a common goal. The NICS system is only as good as the information that is reported into it, and to achieve success in improving NICS, we must recognize and adequately support the States in this challenging undertaking.

I want to thank Paco Aumond, director of Criminal Justice Services at the Vermont Department of Public Safety, for working with me to identify those changes in the legislation to ensure that Vermont and the many similarly situated States will be more easily able to make the comprehensive improvements necessary for a more effective NICS system.

Nothing can bring back the lives tragically lost at Virginia Tech, and no legislation can be a panacea, but the bill we pass today will begin to repair and restore our faith in the NICS system and may help prevent similar tragedies in the future.

Mr. SCHUMER. I ask unanimous consent a Leahy-Schumer substitute amendment at the desk be agreed to, the bill as amended be read a third time and passed, the motions to reconsider be laid upon the table with no intervening action or debate, and that any statements related to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The substitute amendment (No. 3887) was agreed to.

(The text of the amendment is printed in today's RECORD under ''Text of Amendments.'')

The bill (H.R. 2640), as amended, was read the third time and passed.

The amendment was ordered to be engrossed and the bill to be read a third time.

BLOCK BURMESE JADE (JUNTA'S ANTI-DEMOCRATIC EFFORTS) ACT OF 2007

Mr. SCHUMER. Madam President, I ask unanimous consent that the Committee on Foreign Relations be discharged from further consideration of H.R. 3890, and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 3890) to amend the Burmese Freedom and Democracy Act of 2003 to impose import sanctions on Burmese gemstones, expand the number of individuals against whom the visa ban is applicable, expand the blocking of assets and other prohibited activities, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. SCHUMER. Madam President, I ask unanimous consent the Biden-McConnell amendment at the desk be agreed to, the bill as amended be read a third time and passed, the amendment to the title be agreed to, the motion to reconsider be laid on the table, and any statements be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 3888) was agreed to.

(The text of the amendment is printed in today's RECORD under ''Text of Amendments.'')

The title amendment (No. 3889) was agreed to, as follows:

The title is amended to read as follows:

''An Act to impose sanctions on officials of the State Peace and Development Council in Burma, to amend the Burmese Freedom and Democracy Act of 2003 to prohibit the importation of gemstones and hardwoods from Burma, to promote a coordinated international effort to restore civilian democratic rule to Burma, and for other purposes.''.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 3890), as amended, was read the third time and passed.

Mr. SCHUMER. Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. MENENDEZ. Madam President, I ask unanimous consent that following my time on the floor, the Senator from Pennsylvania, Mr. CASEY, be the next Democratic speaker in line.

The PRESIDING OFFICER. Without objection, it is so ordered.

THANKING SENATOR BYRD

Mr. MENENDEZ. Madam President, I came to the floor for a specific purpose, but I had the good benefit of listening to the distinguished senior Senator from West Virginia's holiday greeting. It was a very warm, loving greeting as well. I am glad I made it to the floor to listen. I thank him for his incredible service in this institution and for taking those moments to talk about our humanity collectively. This is a great time of the year in which that humanity gets to be recognized.

Mr. BYRD. Madam President, I thank the incredible Senator who now holds the floor and speaks with such aplomb and dignity, befitting a Roman Senator.

IRAQ

Mr. MENENDEZ. Madam President, as we celebrate this holiday season with our families, as we gather with those we love and give thanks for our tremendous blessings, we remember how incalculable the losses have been to the families of the 3,888 soldiers who have been killed in Iraq. Their losses cannot be tallied, not in the number of Christmas nights spent without the one they loved; not in the number of days since their wives, husbands, parents, and children left home forever. We cannot calculate the strain on the 28,661 wounded soldiers and their families, many of whom will be spending this precious time of the year in a military hospital, coping with their blindness, living with only one leg or arm, sleeping through nightmares of the battlefield instead of the beautiful dreams they used to know this time of year.

As we hold them in our hearts—as well as all of the men and women in

uniform across the globe who serve to protect the country and to promote its interests, for which we have eternal gratitude—as we hold them in our hearts and express that gratitude, we also watch our money slip away from us in Iraq. That is a casualty we can and must count.

I have come to the floor over the last 2 months to talk about the cost of Iraq to us at home. The lives lost in Iraq cannot have a price put to them. Their sacrifice and that of their families have no price. The human suffering of those who have been wounded also has no price.

But there is also a price that is calculable at home, and it is what the war is costing not just in dollars from our Treasury and debt cast upon on the next generation of Americans, but what it is costing in lost opportunities at home. There is a brutal holiday irony that is no cause for festive spirit in Washington.

The irony is this: President Bush and his Republican allies in Congress held hostage some key investments we need to make right here in our country, in order to extract a promise of more money for the war in Iraq.

They are asking for more than $150 billion more for Iraq next year, but at one point they threatened to starve the entire Government of funding over a difference in the Federal budget that amounts to less than one-tenth of what the President wants to spend on the war next year. He was ready to shut the whole Government down over the difference of what amounts to less than one-tenth of what the President wants to spend on the war next year.

Mr. BYRD. Shame.

Mr. MENENDEZ. This holiday season we wondered if President Bush wanted to be Scrooge to America and Santa Claus to Iraq. Over the last several months I have spoken many times about what the American presence in Iraq is costing at home. The true cost of the $455 billion we have spent on that war and the $10 billion per month we continue to spend might never be more clear than it is right now, at a time when Congress debated the budget for almost the entire Federal Government.

While we have been here crunching numbers, American families are feeling the crunch of a few numbers themselves: the interest rate on their mortgage that is about to jump beyond what they can afford, the price on the gas pump when they fill their tank, the price of heating oil and natural gas, higher grocery bills, fare hikes or threats of hikes on public transportation, and the skyrocketing costs of providing medical care for themselves and their children.

The President's consistent threats to veto funding for Federal Government operations forced across-the-board cuts to programs and services that so many Americans are counting on. This winter, as snow and ice fall on roads across America, people are waiting for better ways to travel. They are waiting for expanded, affordable public transportation, progress on efficiency, and new sources of fuel and power. They are waiting for our Nation to fill our energy portfolio with something other than the usual energy sources.

The omnibus spending bill the Senate approved this week would inject another $1.7 billion in the development of renewable sources of energy, such as solar, wind, and geothermal. It is an important step—but it could have been much greater.

Republicans have consistently objected to bigger steps. They said weaning us off fossil fuels is too expensive. Meanwhile, they have insisted that oil companies need more multimillion-dollar tax cuts. Meanwhile, we spend enough money to pay for that entire renewable energy package in Iraq in just 5 days—in just 5 days.

Mr. BYRD. Five days.

Mr. MENENDEZ. Energy independence for our country, stopping giving foreign countries that wish us harm the ability to have the resources to make that harm happen, and that we could have funded for 5 days in Iraq. Those are the choices that we make.

Mr. BYRD. Hear that? Five days.

Mr. MENENDEZ. Five days, Senator BYRD.

Cancer patients going through the dark winter of their illness are waiting on lifesaving treatments that only intensive scientific research can discover. Congress has a bill before it to fund that research, but President Bush vetoed the funding once, and his allies in Congress have whittled it down as much as they could. The cost of the funding increase for that cancer research, to turn the winter of their illness into the spring of possibility? It is $329 million, or less than 1 day in Iraq.

Mr. BYRD. Less than 1 day.

Mr. MENENDEZ. This winter, while President Bush asked for billions more for security for the streets of Baghdad, he says we cannot afford to bring security to the streets of our own hometowns. The Senate proposed spending $55 million, in part to hire police officers specially trained to stop child sexual predators. We have seen the fantastic growth of the Internet—and that is great. It brings many good things with it. But it also brings challenges. The President did not just force funding to stop child sexual predators to be cut in half, he sliced it to less than a third of what it was. We could have made up the difference and fully funded the program to stop child sexual predators with what it costs to be in Iraq for just about 2½ hours.

Being able to successfully have the law enforcement capability to pursue child sex predators versus 2½ hours in Iraq. Where are all the family values we hear talked about so often? What ever happened to recognizing the importance of our children, who are truly our greatest asset, but also our most vulnerable asset? What are our values? What are our priorities?

There are too many provisions in this big funding bill that are absolutely essential, too many to name here. But the victims of the cuts that the President and his Republican allies have called for, the millions of Americans waiting for clean power that will not be produced, the cancer patients who are waiting for research that will not be allowed to happen, the communities trying to stop child sexual predators who are waiting for police officers who will not be hired: These people are also too many to name.

In that sense, even beyond the lives lost overseas, the cost of the war in Iraq has been incalculable. If there is one thing we must all acknowledge right now, it is this: The war in Iraq is not free, it is not without consequences here at home, and no one should be pretending that this war is free.

The Bush administration likes to parrot the line that we are fighting them over there so we do not have to fight them here. But Americans have figured out what they mean, and what they mean is: We are spending all our money over there so, by the way, we did not have it to spend here.

Above all, this is a question of values. Do we value our children, and value protecting them? Do we value our schools and the education we want our children to have so they can continue to make America the global competitive leader? Do we value the men and women who wear the uniform, not just by marching in a parade on Memorial Day or going to a Veterans Day service, which we should, but by taking care of their health care and their disabilities and taking care of their survivors, for those who commit the ultimate sacrifice, as a grateful nation truly does? Or will we neglect those and other priorities such as the health care of our children and of our families?

The Democratic budget bill set out for our values a clear and serious test. We cannot allow the budget to have a heart as cold as the ice on our front steps. We cannot let our financial stability melt away, and we cannot continue to let more of our money burn up in a war that has taken so much from so many for so long.

At year's end, we speak of renewal, we return to our families and witness a rebirth of hope. This season is about the best in each and every one of us. This season, decisions we make are going to test how we operate as a government and test what we stand for as a nation. There is no better time than now to let the best in American values guide our way: generosity, equality of opportunity, cooperation with one another, turning to each other instead of against each other.

We have the power to end unnecessary suffering and waste, and the chance to approach these tasks with a fresh sense of urgency that they require. As we rest and dream in the company of those we love, let us remember that December is the darkest

time of the year, but it is also the turning point when the sun begins to shine more and more each day.

Together we offer our wish, our hope, and our prayers that the dreams that have carried us so far of peace on Earth, good will toward all may yet still come true.

THANKING STAFF

Before I yield the floor, I would like to take the opportunity to acknowledge the individuals in my now second year here in the Senate whom I have seen work incredibly hard, but very rarely get acknowledged, all of those who help us as we preside: the clerks, who keep all of the documentation that comes before the Senate moving; the Parliamentarians, who try to keep us in some degree of order as we move along the way; the party secretaries and their staffs, who do such a great job on informing us as to what is happening and to try to keep somewhat of a schedule in terms of our lives here in the Senate; to those in the cloakroom who also produce that service; to the pages who have done a great job.

It was a privilege to have the opportunity to talk to so many of them. I think they are going to carry their experiences here with them a lifetime, and I am sure that maybe we will see some of them in this Chamber in the future.

To all of those who make this institution the greatest democratic institution in the world operate the way it successfully operates, my deepest thanks, my best for the holiday season.

With that, I yield the floor.

ORDER OF PROCEDURE

The PRESIDING OFFICER. The Senator from Alaska.

Mr. LEVIN. Would the Senator from Alaska yield for a unanimous consent request?

Ms. MURKOWSKI. Yes.

Mr. LEVIN. Madam President, I ask unanimous consent that after the Senator from Alaska finishes, I understand the Senator from Pennsylvania would be recognized. I would then ask that I be the next Democrat to be recognized.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNIZING SENATE PAGES

Ms. MURKOWSKI. Madam President, I want to follow on the comments of my colleague from New Jersey in recognizing those who allow this body to function so efficiently and to also give special recognition to the pages.

Given the schedule they have, we are likely not going to be seeing much more of this particular group as they finish up for the holidays and their exams, and then move back to their respective States and their communities. But to all of you who have given so much to so many of us, to make our jobs a little bit easier, we thank you. Thank you very greatly. I believe this is an episode in your life that you will long remember, and hopefully it will be a good and positive experience for all of you. Thank you for your contribution.

WELCOMING RETURNING TROOPS

Madam President, I note that in my hometown of Anchorage, AK, this afternoon, there is a wonderful celebration taking place. The 495th out of Fort Richardson has all come home. They have come home after 15 months being over in Iraq, doing incredible work under incredibly difficult situations.

We mourn the loss of those who are not home, who will not be home. But today in Anchorage, the community is coming together to say: Welcome back. Please let us know how we can support you and your families, not only at this holiday season, but throughout the year, and support you for all the support you have given us.

We take time during the holiday season to show our thanks, to show our appreciation to so many. But I wish to recognize the soldiers and the veterans from Alaska, from throughout the whole country, who have given so much and who continue to give so much. We want them to know their sacrifices in serving us, whether it be in Afghanistan or in Iraq, have not gone unnoticed. Their sacrifices have certainly not gone unnoticed by my fellow Alaskans.

When I was in Iraq earlier in the year, I had the pleasure of meeting with soldiers and guardsmen from Anchorage, Fairbanks, Seward, Soldotna, Eagle River, Slana, and Wasilla, all over the State. In hearing their stories and their commitment, you cannot help but feel proud as an American. I was certainly proud as an Alaskan. Every day I have Alaskans who write my office to praise the servicemen and the servicewomen who have returned and those who are still in combat. Sometimes it is a quick e-mail, saying: I support all of those who are serving, and other times they are very long, heartfelt letters praising our heroes and truly expressing a solidarity with them for the sacrifice they have made.

The fact that Alaska has the largest number of veterans per capita, I think says a lot about our State's character. Our Alaska veterans are some of the most exemplary in the Armed Forces. The 172nd Stryker Brigade out of Fairbanks was on tour in Iraq, and they were extended to 16 months. But when they were asked to give more, they remained strong, they remained proud. Last week, I received an e-mail from the former commander of the 172nd, and he sent along an article of an Iraqi, a young Iraqi girl who had been blind. Some of the solders in the 172nd had helped facilitate this young girl coming to the United States for eye surgery. This young child, this beautiful little Iraqi girl, is now able to see. She was given that gift of sight because of the caring and compassion of these solders.

Another story was shared with me by the former commander. He noted that on December 12, SGT Gregory Williams from the 172nd was presented with the Distinguished Service Cross, the second highest award for valor, for his actions while in combat in Baghdad. Despite being injured himself when their vehicle was struck by a bomb, Sergeant Williams was able to return fire and help a wounded comrade to safety. To date, there have only been eight Distinguished Service Crosses awarded since the war began in 2001. So we are very proud of SGT Gregory Williams.

We say that we do things a little bit differently in Alaska. We enjoy doing things a little differently. There was one Alaskan marine who was over in Iraq. He discovered that he had some hidden talents he did not imagine. His innovative approach to searching out insurgents earned him a Marine Corps Commendation Medal. SGT Aaron A. Henehan led his squad to search out and detain 18 black list or high-value insurgents while in his third tour in Iraq. He is an adventurous young man. Sergeant Henehan was barely out of high school and was anxious to see the world when he first thought of signing up to serve his country. September 11 and the outbreak of war did not cause his decision to waiver an inch.

Sergeant Henehan deployed in April of 2003 and spent his first tour in the town of Babylon. He served his country well. Like many who fought alongside him, he began to learn the undercurrents, the inner workings of Iraqi society. He returned for a second tour to Husaybah, near Iraq's border with Syria in August of 2004. At that time Husaybah was a dangerous town.

Sergeant Henehan served his second tour in Iraq with distinction, but still he felt he needed to do more. Before deploying for his third and final tour in February of 2006, he told his friends and his family back home that he wanted to make a difference in Iraq, a sentiment many American soldiers and guardsmen share. He spent a lot of time between his second and his third tours thinking about what he might be able to do differently, how he could learn from his experiences in the two deployments prior, and how he might be able to achieve a better result.

Combining his Marine training with information he learned from a retired Los Angeles police officer who was deployed to Iraq to teach the troops urban tactics, Sergeant Henehan approached his third tour with what he referred to as a beat cop mentality. He wanted to approach the problem of rounding up insurgents as if he were a native of the area. He spent his free time studying the tribal history and the geography of Husaybah for hours at a time. The ability to put his plan in motion, Sergeant Henehan says, was made possible in part by Operation Steel Curtain, which had cleared Husaybah block by block, and set up outposts called ''firm bases'' throughout the city.

So upon returning for his third tour, Sergeant Henehan immediately noticed that after this push, while not always willing to openly support the coalition forces, Iraqis felt safe enough to give him tips on where the insurgents were hiding. This change in mentality, coupled with Sergeant Henehan's knowledge of family and tribal connections, allowed him to determine which people to ask about each of the 18 high-value insurgents he located. He knew exactly who would be willing to tip him off about a social rival or historic foe.

Traveling with an interpreter, Sergeant Henehan had a talent for remembering names and personal details. He took every opportunity he could to talk with locals and learn about the town's social organizations and tribal boundaries, often returning several times to talk with the same families to gain their trust. He would bring with him candy, good humor, even doctors. He would knock on the doors and politely ask to chat. Entire families opened up to him. Sometimes it would start with a toy given to a child, sometimes it was a heartfelt conversation with a shopkeeper. The response he got astonished everyone, including the insurgents hiding out in the town.

The 12 marines in his squad called him a fair but tough leader with whom they felt very safe. His intense and proactive preparation for the more than 80 combat missions which he led and his personal attention to each of his 12 soldier's well-being gave them a sense of security. They, too, noted how his relaxed Alaskan exterior quickly helped earn him the respect of the townspeople.

Even more remarkably, Sergeant Henehan's reputation for being fair and caring allowed him to detain all 18 high-value insurgents without any real violence. These 18 also led him to their associates, significantly disrupting insurgent operations in that part of Al Anbar Province.

Sergeant Henehan remained behind after his unit returned to the States to train new troops about how he had learned to wage urban warfare while gaining the trust of the townspeople. The downturn in violence in Al Anbar can be linked perhaps in part to his efforts and the efforts of those like him.

Sergeant Henehan is currently attending a California community college and plans to transfer to a larger State school after completing his distribution credits. He wants to major in computer games and even talks of one day creating video games that more accurately portray what war in the modern era is like. He has already begun organizing photographs from his three tours to use as backdrops. Clearly, his talent for careful planning and his desire to share his knowledge and experiences with others did not leave with his donning of civilian clothes.

I wish him the best in all of his future endeavors, just as I wish the best for all Alaskan veterans and those now serving.

MEDICARE REIMBURSEMENT

Ms. MURKOWSKI. Madam President, I wish to take a few moments to speak on the issue of Medicare reimbursements for physicians, particularly those in rural and frontier States. We have moved forward a temporary fix of Medicare reimbursement for physicians, essentially for 6 months. I wish to speak to the issue for Alaska and other rural parts of the country.

In Alaska, many of our Medicare beneficiaries, even without this potential 10-percent reimbursement cut, lack the ability to see a primary care physician unless they have the means somehow to pay out of pocket for doctor visits. Without congressional action on a long-term strategy—longer than 6 months—to increase Medicare reimbursements, these cuts threaten access to care as fewer and fewer doctors are able to afford seeing Medicare patients. An American Medical Association survey shows that 60 percent of physicians reported they would be forced to limit the number of new Medicare patients they treat if the impending reimbursement cuts go through.

I get so many calls on a daily basis from seniors asking me to fix Medicare. They want to be able to continue to see their doctor. I know I am not the only Member who receives these calls. It is unfortunate, but America's seniors every year are thrust in the middle of this Medicare reimbursement debate out of fear that they are going to lose their health care provider to Medicare cuts.

In 2003, with great fanfare, we provided a Medicare prescription drug benefit. At that time, I asked the question: We can have a wonderful drug benefit, but what good is the benefit if there is no physician to write the prescription?

The Presiding Officer knows how big a State it is; she has had the opportunity to come for a visit. We are bigger than California, Texas, and Montana combined. ''Rural'' in Alaska has a new meaning. The physician shortage crisis in Alaska has been magnified because of our geography, distance, and size.

What many people might not realize is what is happening to our population. We have always been viewed as a young pioneering State where the average age is the early 20s and predominantly male—a wilderness image. But we have grown and matured. Our elderly population is the fastest growing senior population per capita in the Nation behind Nevada. That is a statistic which would surprise many people.

The Mat-Su Valley, an area just north of Anchorage, is the fifth fastest growing region among seniors nationally. Yet, think about that statistic and compare it with what is happening with our physician ratio. Alaska has the sixth lowest ratio of physicians to population in the United States. Outside of the Anchorage area, our ratio of physicians to population is the worst in the Nation.

To put it into context, we had a field hearing the first part of the year to understand how bad the situation is as far as access to care. To reach the national average of physician-to-patient ratio, Alaska needs a net increase of 980 physicians statewide or 49 more physicians per year. I go into some of these hospitals, VA clinics, and community health centers. They have been waiting years trying to find not only doctors but all within the medical profession, whether it is outpatient therapists all the way up to cardiologists. Fairbanks, our second largest city, got its first cardiologist this year.

According to the Anchorage Daily News, our largest newspaper, it costs 65 cents on the dollar to care for a patient in Alaska, and yet Medicare only reimburses 22 to 35 cents on the dollar. In addition to low reimbursement, we have other factors that drive the cost up. We have higher salaries, a higher cost of living, higher equipment costs, and higher transportation costs. Higher energy costs add to that.

We had a field hearing earlier in the year and had an individual testify before the committee. He was later quoted in the Anchorage Daily News:

> The costs [to practice] were so exorbitant and the fees for reimbursement were so low for Medicare patients, at the end of the day I could actually owe money for working a ten-hour day.

The sustained growth rate formula which has been in place since 1997 calls for nearly 40 percent in cuts over the next 8 years, even as practice expenses continue to increase. So how do we expect to entice more physicians to practice and care for our seniors, our veterans, if we threaten to cut Medicare reimbursements every year?

We know the time for Congress to act is now. I ask my colleagues, those on the Finance Committee, let's work on legislation that will provide a long-term reimbursement fix to ensure continuous care for the elderly, who may otherwise be left without access to care in the neediest of times. This is something we all must work to advance.

TRIBUTE TO SENATOR TRENT LOTT

Ms. MURKOWSKI. Madam President, yesterday was a day of tribute to one of our colleagues, a gentleman who has served his State and this country admirably for many years. I have not had the privilege to serve in the Senate with our colleague for as long a period as many of those who spoke yesterday, but I think we know it doesn't take long to realize how important has been the contribution of the Senator from Mississippi to this institution. I listened yesterday to so many of the kind words. I heard repeated time after time: statesman, leader of an institution, truly a statesman.

We all know of TRENT LOTT'S tremendous dedication to the institution that is Congress, 34 years of public service between the House and Senate, his creation of the whip organization in the

House that emphasized Member-to-Member contacts and outreach that are so important in building relationships, election to the Senate in 1988, Senate majority leader in 1996, and then Republican whip earlier this year. We don't want to lament the loss of a tremendous asset, but we need to always remember to celebrate those accomplishments, learn from them.

I learned that if there was a problem that needed to be resolved, you could go to TRENT to resolve it. When there was a compromise that needed to be brokered, TRENT could figure out how to make that happen.

I learned that when there was a shortage of tomatoes at the Lott household, TRENT knew he could just go a couple doors down the street and find some tomatoes in a friendly neighbor's yard. My husband and I have been neighbors with TRENT and Tricia these past 5 years. As neighbors, we share a lot of things. We share a lot of leaves. He blows the leaves down the sidewalk to my house, and my husband will blow the leaves back down to his house—good, friendly neighbors. I have always appreciated that.

Truly, whether it is the quick conversation between Members during votes or whether it is the closed-door sitdown when he comes to the office and says: LISA, I want to talk to you about this, TRENT knows the pulse of the Senate.

I would watch him on the floor. He was like a butterfly. He would come over and alight next to somebody, have a quick conversation, a talk, and then he would move over to another area and do the same thing, kind of going from person to person, always working but always friendly and always working to find a path forward. His ability to develop those relationships and work out a deal to everyone's satisfaction is a skill I certainly look to as a model for how the Senate should operate.

It is with great fondness that I wish my friend, my colleague, my neighbor well in his future endeavors.

I wish him and Tricia well and truly love as they embark on their next adventure. We do know there will be adventures. I thank him for his friendship, his service to this Nation and to this institution.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

UNANIMOUS CONSENT REQUEST—S. 1498

Mr. CASEY. Madam President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 455, S. 1498; that the committee-reported amendments be considered and agreed to, the bill, as amended, be read a third time, passed, and the motions to reconsider be laid upon the table, without further intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Ms. MURKOWSKI. Madam President, on behalf of Senator COBURN, I object.

The PRESIDING OFFICER. Objection is heard.

Mrs. BOXER. Madam President, the Captive Primate Safety Act, S. 1498, is an important, bipartisan bill promoting the humane treatment of animals and protecting public health and safety from the considerable risks associated with primate pet ownership and trade.

On May 24, 2007, I introduced S. 1498, with Senators VITTER, LAUTENBERG, LIEBERMAN, and MENENDEZ. Senator ENSIGN is also a cosponsor.

Nonhuman primates are susceptible to many biological agents that infect human beings, including tuberculosis, Ebola/Marburg, and poxviruses. Because of the serious health risk, importing nonhuman primates into the United States for the pet trade has been banned by Federal regulation since 1975. In addition, many States already prohibit these animals as pets. Still, there is an active trade in these animals. Estimates are that 15,000 are in private hands; however, as the trade is largely unregulated, the number may be much higher. Because many of these animals move in interstate commerce, Federal legislation is needed.

This legislation amends the Lacey Act to prohibit transporting monkeys, great apes, lemurs, and other nonhuman primates across State lines for the pet trade. The bill has no impact on trade or transportation of animals for zoos, medical and other licensed research facilities, or certain other licensed and regulated entities.

The Captive Primate Safety Act is supported by the Humane Society of the United States, the American Zoo and Aquarium Association, the American Veterinary Medical Association, Defenders of Wildlife and the Wildlife Conservation Society and many other environmental organizations and animal welfare groups.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

EXPRESSIONS OF GRATITUDE

Mr. CASEY. Madam President, thank you. I appreciate your attention in presiding today, on a day when people are headed home. We are grateful for your presence here.

I join so many others—I do not want to be too redundant, but it is important to repeat expressions of gratitude—like a lot of people here, I have a lot of gratitude in my heart: gratitude for my wife Terese and my family for supporting me in my first year in the Senate; certainly for my staff—like so many Senators here could say of their own staff—I know it is true of mine; I have a great staff, and I am grateful for their help and their support and professionalism for almost a full year now; for the staff here in the Senate—I could go to any Senate office, but especially in the Chamber itself, all those who work so hard, day in and day out, year in and year out, to make this place work, and to guide even those veteran Members on parliamentary questions, but especially some of the first-year Senators.

We are grateful for your skill, your knowledge, and your professionalism, and we wish you and your families a happy holiday season at this time.

The same goes for my colleagues on both sides of the aisle, who have been so supportive of me as a first-year Senator. I will mention two in the interest of time: Senator REID, our majority leader, the majority leader of the entire Senate, and also, of course, the leader of the Democratic side of the aisle—a great leader for our party, but even beyond that, a great leader for the Senate. He is a man of great compassion and decency, someone who cares about changing the direction of the country, to move us in the right direction. He has done that very well. I am honored to serve with him.

Senator LOTT is going to be leaving us. I had the privilege of presiding yesterday when I heard all of the testimonials to his service. I was honored to be a small part—a witness of that Senate history. We wish Senator LOTT and his family all of God's blessings at this holiday season. But also beyond the season, we wish him the best of luck in his new life outside of the Senate. We are grateful for his service.

I have one more note of gratitude and best wishes, and that is to those who are serving our country in Iraq and Afghanistan and around the world—those men and women in our military the world over who are doing that brave and noble service every day. We are thinking of them. We pray for them at this time, as we try to throughout the year. But especially we are thinking of them and their families at this holiday season.

(Mr. SALAZAR assumed the Chair.)

AMERICAN FAMILIES IN CRISIS

Mr. CASEY. Mr. President, I am going to try to be about 5 minutes. I want to highlight a couple of issues, not only because it is this season but I think especially because it is this season, the holiday season.

When we think about families coming together, we think about hope, and we think about caring for people. We think about exchanging gifts. It is a time of happiness. But for some families it is not so. It is a very difficult time for a lot of families—not only during the holiday season but the winter season.

I was struck, unfortunately, in a very negative way the other day. I think it was yesterday. I picked up the Washington Post and read a story about President Bush's speech about the economy. We can go through that and debate what he said, but one of the first sentences in that article quoted him as follows—when he was talking about the economy:

There's definitely some storm clouds and concerns.

''There's definitely some storm clouds and concerns.'' That is a quotation from that article from the President of the United States. I have to say, I have never seen a crisis in the lives of a lot of families so understated, and I think irresponsibly so. I hate to say that, but there is no other way to say that in any other way.

It is not, Mr. President, just some ''concerns'' and some ''storm clouds.'' We are way beyond storm clouds for a lot of Americans. There are so many Americans who face the crisis of not having enough to eat this season. This Government can do something about it. We know that. We all know that if we are honest with ourselves. There are families who do not have enough resources or enough power in their own lives to be able to access the resources to heat their homes, so they are cold at this time.

There are a lot of other families who are facing other crises—health care costs and others, the subprime crisis. We could go down the list: the price of fuel, gasoline, and home heating oil. We could go down the list. But it is a crisis, and for a lot of hard-working Americans, they are bracing for a winter storm that has nothing to do with snow and ice. Many of these same working families are one emergency away from financial disaster.

In light of that challenge they face, I sent a letter to the President just over a week ago—actually before he made the statement about the storm clouds and some ''concerns.'' It is lot worse than that, I would respectfully submit to the President. I am not going to go through the letter. I ask unanimous consent that my letter to the President dated December 10, 2007, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, December 10, 2007.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: Hardworking Americans are bracing for a winter storm that has nothing to do with snow and ice. Many working families are just one emergency away from financial disaster. Escalating costs of home heating, gasoline, food, and health care threaten to leave these families hungry and in the cold. In light of these circumstances, I urge you to provide emergency assistance to help local food banks and other programs meet the rising need this holiday season.

This winter, home energy prices are projected to reach record levels, increasing by more than 15 percent over last year. At the same time, the U.S. Department of Energy is predicting higher demand for home heating because the upcoming winter is expected to be colder than the last. The states' energy assistance directors estimate that with this combination of higher prices and higher usage, the average family will pay $2,157 for home heating oil this winter, $693 more than last winter.

Meanwhile, family hunger and food insecurity is on the rise. Last year alone, the United States Department of Agriculture (USDA) reported that 35.5 million Americans did not have enough money or resources to get food for at least some period during the year. This was an increase of 400,000 over 2005 and an increase of 2.3 million since 2000.

Families in states like Pennsylvania, particularly families with children, increasingly face difficulty meeting the needs to heat their homes and feed their loved ones. This kind of family crisis can have both immediate and longstanding effects. Research shows that babies and toddlers in families struggling to keep up with their home energy needs are more likely to be in poor health, have a higher risk of developmental problems, and have greater food insecurity.

Faced with the choice of eating or heating, many of these families are seeking help from food banks and emergency heating assistance programs. Yet America's food banks are facing critical shortages. Rising demand coupled with sharp drops in federal supplies of excess farm commodities and declining donations have forced food banks to cut back on rations, distribute supplies usually reserved for disaster relief, and in some cases, close their doors because of the lack of federal assistance.

Similarly, rising food costs and limited funding are placing great strain on the Women Infants and Children Nutrition Program (WIC), threatening service to some of the 8.5 million low-income pregnant and postpartum women and young children who participate in the program.

Under your proposed budget for the fiscal year 2008, more than 500,000 low-income women, infants, and children would lose access to food and nutrition services.

I was proud to join the Senate Agriculture, Nutrition, and Forestry Committee in unanimously approving a 2007 Farm Bill that includes over $5 billion in additional funds for federal food assistance programs. Passage of this bill will provide extra funding for food banks, increase food assistance to working families with high child care costs, and increase food assistance for low-income seniors. While the full Senate continues to work on this important legislation, we must take steps to immediately address the hunger-relief needs of millions of Americans across this nation.

Compounding matters, states report that they have insufficient resources to meet expected demands for home energy assistance. That is why Congress rejected your funding proposal for the Low Income Home Energy Assistance Program (LIHEAP), which would have cut the number of households assisted by 1.1 million, from 5.6 million to 4.5 million. Instead, we passed a bill to maintain the LIHEAP block grant at its current level of $1.98 billion and increase emergency contingency funding by $250 million to $431.7 million to meet the expected higher demand in the upcoming winter. Unfortunately, your veto of this bill stopped that relief in its tracks.

America's working men and women, seniors, and children desperately need your immediate help this holiday season. Specifically, I urge you to provide emergency assistance to help local food banks and other programs meet the rising need this winter season. While optimally The Emergency Food Assistance Program (TEFAP) needs an infusion of $27 million, I strongly urge you to transfer as much funding as is feasible to shore up America's emergency food supplies throughout the upcoming winter months. I also urge you to approve an appropriation that includes no less than $5.96 billion to fully fund the WIC program for FY08 and to approve the Farm Bill nutrition funding, including funding for TEFAP and the Commodity Supplemental Food Program (CSFP), when approved by Congress. Finally, I urge that you use your authority to release the remaining $20 million in the contingency fund for the Low Income Home Energy Assistance Program (LIHEAP).

As a nation, we must do all we can to bring light to families facing the darkness of hunger and cold during the holidays and throughout the winter. As we count our blessings in this season of hope, let us bring comfort to those who are vulnerable and need our help.

Thank you for your consideration of this important request.

Respectfully,

ROBERT P. CASEY, Jr.,
U.S. Senator.

Mr. CASEY. I will not read the letter, but I outlined some of these challenges people have in their lives. I asked him to do a couple of things. These things are not difficult to do. These things, literally, require his signature on either legislation that has just been passed or using his discretionary power as the most powerful elected official in the world to release small sums of money in the scheme of our entire Federal budget.

I will wrap up with this, four things I have asked him to do basically in this letter. First of all, No. 1, provide emergency assistance to help local food banks and other programs meet the rising need this winter season. There is story after story. I say to the Presiding Officer, you know it from your home State of Colorado. We know it all over the country. There is article after article about food banks stretched in a way they have not been. It seems as if the same story has been written across the country. Never before, in 20 years, some would assert, have we seen this. We have not seen this in years. They do not have enough resources to meet the demand of those who are hungry.

So I would ask the President to use his power—his power to provide that emergency assistance to those who are hungry. He has the power to do that.

Secondly, I ask the President to use his power to give full meaning to a great program, the Emergency Food Assistance Program, known here in Washington, like everything else, with an acronym, EFAP, the Emergency Food Assistance Program. It needs an infusion. This would be the optimal situation, if the President would do this for the American people. It needs an infusion, right now, of at least $27 million. I ask the President to get that done. And I think he could if he wanted to do this.

I urge him also to approve the bill we just passed, that massive piece of legislation last night. A lot of good things are in that bill. I will mention one or two. One is the Women, Infants, and Children Program—a tremendous program that helps pregnant women and postpartum women, as well as young children, with nutrition and other assistance. Thank goodness the bill we passed has $6 billion for it. I am told that is full funding.

I ask the President to sign that legislation for a lot of reasons—hundreds of reasons—but if he has no other reason,

to look at that part of that bill, the Women, Infants, and Children's Program during this holiday season; to sign the farm bill because of a lot of reasons, but in this context because of the nutrition funding which is included in it that I mentioned, as well as other nutrition increases. There are billions of dollars more for nutrition in the farm bill. So I ask the President, No. 3, to sign the farm bill.

And No. 4, and finally, to release the remaining $20 million in contingency funding for the so-called LIHEAP program—another acronym, the Low-Income Home Energy Assistance Program. A lot of people know about it and depend on it. Just $20 million; a tiny eyedrop worth of money in terms of a Federal budget into the trillions.

I ask the President not only to read a letter and not only to respond to it, but, most importantly, to take action which is asked for in this letter and the pleas for help from families across America. U.S. Senators, Members of Congress, and others have asked this President to do his part in this holiday season because the President, just like the Congress, has power—power to help people, power to improve their lives, and power to do all he can to help them every time throughout the year but especially at this time of the year.

I conclude with this: In this season of hope, let it be said of those who have power—real power—let it be said of those who have power that they helped those who are hungry, those who are cold, and those who will live through yet another season of despair. Let it be said of us, and let it be said of the President, that he fulfilled and met his obligation to help those Americans who need it, especially in this season.

Mr. President, I thank you and yield the floor.

The PRESIDING OFFICER. The Senator from Michigan.

CONGRATULATING SENATOR CASEY

Mr. LEVIN. Mr. President, first, while the Senator from Pennsylvania is on the floor, let me congratulate him for an extraordinary first year in the Senate. He has made a real difference in his first year. We all are grateful he is present here to assist this Senate and hopefully achieving some very important results. I congratulate him on his freshman year.

Mr. CASEY. I thank the Senator.

MESSAGE TO THE IRAQI POLITICAL LEADERSHIP

Mr. LEVIN. Mr. President, I want to review the outcome of last evening's debate and vote on the Iraq amendment that I offered along with Senators REED, VOINOVICH, HAGEL, SNOWE, REID, SMITH, and SALAZAR.

The amendment expressed the sense of the Congress that the missions of the U.S. forces in Iraq should transition to counterterrorism operations, and training, equipping, and supporting Iraqi forces, as well as force protection, and that—and this is, perhaps, the most critical, the important part of the amendment we voted on—that it should be the goal to complete that transition by the end of 2008.

The vote on our amendment was 50 yeas and 45 nays.

Legislating on Iraq is a difficult matter because of the need to gain 60 votes in order to overcome a filibuster, and it was made perhaps even more difficult last night because the Republican leader stated that the President would veto the Consolidated Appropriations Act if it contained our amendment.

Now, imagine that. The President of the United States would veto funds for the troops if 60 or more Senators simply expressed their nonbinding opinion that a goal should be to bring most of our troops home by the end of next year. I would hope the President would welcome at least the nonbinding advice of the Congress and not threaten funding for the troops if that advice were forthcoming.

Despite a great deal of pressure, including the veto threat, our amendment secured six Republican votes—more Republican votes than amendments to change course in Iraq have secured to date. Senators VOINOVICH, HAGEL, SNOWE, SMITH, COLLINS, and DOLE joined 44 of the 46 Democrats who were present to produce a 50-vote majority in favor of our amendment.

I am confident that at least four of the five absent Senators would have supported our amendment, as they have done in the past. So we would have had 54 votes in favor of our amendment, which would have been the most votes thus far for this type of a policy change in Iraq.

Now, what does that majority Senate vote mean, last night's majority vote? What message does it send to the White House, the American people, the Iraqi political leadership, and the Iraqi people?

I believe the message is that more and more Senators are embracing the view that the American people reflected during the last election a little over a year ago; namely, that we want to change course in Iraq, and we want to have a reasonable timetable for the return of most of our troops, and that we have reached the limits of our patience with the Iraqi political leadership. I hope the President takes full notice of last night's majority vote, although the majority will was thwarted by a filibuster. I am sure he is aware of the vote, since the Republican leader said the President would veto the legislation if it contained our amendment.

I hope the American people understand a growing majority of the Senate agrees with their view that we need to establish a goal for the reduction of most of our forces in Iraq and the goal should be most should leave Iraq by the end of next year.

I hope the Iraqi political leaders understand a growing majority of the Senate is willing to vote to change course in Iraq as a way to bring pressure on them to make the long-promised political compromises that virtually everyone agrees are required to end the violence in Iraq.

I hope Prime Minister Maliki, in particular, understands what the U.S. Department of State said on November 21 about him and the other political leaders in Iraq. This is an extraordinary finding by the Department of State. I hope it gets somehow or other through to Prime Minister Maliki. Here is what the Department of State report said:

> Senior U.S. military commanders now portray the intransigence of Iraq's Shiite-dominated government as the key threat facing the U.S. effort in Iraq, rather than al-Qaida terrorists, Sunni insurgents, or Iranian-backed militias.

I wish the President of the United States would read his own State Department report so that not only would the majority of the Senate adopt resolutions intending to put pressure on the Iraqi leadership by telling them the open-ended commitment of American forces is over, but that the President of the United States would tell the Iraqi leaders what his own State Department said in that November 21 report. It is so important that I am going to repeat it:

> Senior U.S. military commanders now portray the intransigence of Iraq's Shiite-dominated government as the key threat facing the U.S. effort in Iraq, rather than al-Qaida terrorists, Sunni insurgents, or Iranian-backed militias.

I hope the members of the Iraqi Council of Representatives, the Iraqi Parliament, understand they must find a way to bring about reconciliation or face the consequences of squandering that window of opportunity provided by the military successes of the surge that, as General Odierno notes, will not be open forever. As I did after my trip to Iraq last August, I once again express my personal hope that the Iraqi Parliament will replace Prime Minister Maliki with someone who is willing to strongly push national reconciliation and to replace that Prime Minister with someone less connected to a sectarian group.

Finally, I wish to note that while last night's vote relative to Iraq was the last such vote this year, it is not the last vote the Senate is likely to hold on our policy in Iraq. The $70 billion approved last night is only about one-third the amount the administration has sought for Iraq and Afghanistan. The next time the Congress considers funding for the war in Iraq, of the many factors that Members will no doubt consider, none will be more important than whether Iraqi political leaders have compromised with each other and assumed responsibility for the future of their own country.

THANKING STAFF AND SENATOR SALAZAR

As others of my colleagues, let me add my thanks to our staffs, the Senate staff, our pages, all the people who make it possible for us to try to do the

best job we can do. We don't often express our thanks to our staffs, to our pages, but this is surely the appropriate time of year to pause for a moment to express that gratitude to them. Without their support, without their assistance, it would not be possible for us to function. They make it possible for us to do a lot better than we otherwise would and even to make it possible for us to do some important things once in a while.

I wish to also express my thanks to the Presiding Officer. General Salazar I almost called Senator SALAZAR—Senator SALAZAR has been of invaluable assistance to me on so many matters, and I know that feeling exists with other Members of the Senate. As I talk about Iraq this afternoon, looking at our Presiding Officer, Senator SALAZAR, I am reminded of the countless numbers of times and the efforts Senator SALAZAR has made to try to pull this body together to see if we couldn't make a difference in terms of Iraq policy. That effort to achieve a bridge across the aisle, to bring Senators together, is something which Senator SALAZAR does as well as any Member of this body. Even though we don't often or always succeed in achieving bipartisan results, we would achieve them far fewer times but for the assistance and help of our Presiding Officer. So I wish to add my thanks to him as well.

I yield the floor. I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SALAZAR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. LEVIN). Without objection, it is so ordered.

ACCOMPLISHMENTS OF THE SENATE

Mr. SALAZAR. Mr. President, I come to the floor this evening, in the closing hours of the year 2007, to make a few comments.

First, at the beginning of this year, the beginning of this Congress and the first year, I believe, we have been a Congress of robust achievement, which has made significant change, and that we must also continue to be agents of change in the future because additional change is needed. We have done some good things for this country. There is much more change we need to do.

We have made change in moving forward and seeking a new direction in Iraq and holding the administration accountable on that issue. There is more we have to do in achieving that new direction in Iraq.

We have made significant change in terms of moving forward toward energy independence. There is more work we need to do to achieve real energy independence.

We moved forward in crafting the best farm bill, in my view, in several decades. We need to get that farm bill across the finish line.

We made progress in the Senate dealing with health care issues, including passage of the Children's Health Insurance Program. But we somehow need to get that over the President's veto pen and start addressing the other issues relating to health care and health care reform.

We have made progress in the arena of education, with passage of the Higher Education Authorization Act and providing financial aid to students across the country and the passage of the Head Start Program. But we now know we still need to move ahead and make more progress and be agents of change with respect to No Child Left Behind.

We have made significant progress in the Wounded Warriors Act, providing the resources we need to take care of our nearly 25 million veterans in America. We need to make sure we stay on top of those issues with 1½ million veterans returning from Operation Iraqi Freedom and Enduring Freedom. It is important that we not lose sight of the Nation's promise to take care of our veterans.

There has been a lot of good work done, but there is still more work ahead. We must, in this Senate Chamber, figure out a way to continue to be agents of change to bring about change in the direction of America.

I want to comment on a couple of the subjects I touched on.

First, Iraq. Iraq remains the major national/international foreign policy issue of the United States. The Presiding Officer, the senior Senator from Michigan, has helped lead us from the wilderness in which we found ourselves with respect to the war in Iraq to move forward to what I consider to be a different level of debate today in America.

For the first 6 years of this administration, they essentially controlled all of the cards. It was only with the change in leadership in the Senate and in the House of Representatives that, today, there is accountability that is occurring with respect to the war in Iraq.

The senior Senator from Michigan, the very distinguished chairman of the Armed Services Committee, has really led us in the search for trying to find that new direction for Iraq. It was the Senator from Michigan who conceived of the fact that we needed to move away from having our troops in a combat mission over to the more limited missions of counterterrorism, force protection, border security, and moving forward in the more limited presence in Iraq, and sending, as he has so often said on the floor of the Senate, an unmistakable message to the Iraqi Government and the Iraqi people that it is they who have to get Iraq together. It is not up to us in America or to our troops on the ground to resolve the political problems Iraq faces today. That unmistakable message the Iraqis have received would not have been received had it not been for the leadership of Senator LEVIN, Senator REID, and others in this Chamber who stood up and said we need to have a new direction in Iraq.

There may be some around the country who are saying: Well, what has happened, because we are still in Iraq and the money is still being provided to our troops? But there has been a significant change that has occurred. We know last night, for example, on the vote that occurred with respect to the funding of our troops in Iraq, the $70 billion provided to our troops was provided to make sure our troops are not without money as they carry out the mandate of the Commander in Chief. But it was not the $196 billion that was requested by the President of the United States. It was an installment. It is the first time we get to a point where there is this kind of sequential funding. That will allow the Congress and the Senate, under the leadership of Senator LEVIN, the Presiding Officer, to continue to move forward to try to seek a new direction in Iraq and to continue to hold the administration accountable with respect to its efforts on the ground in Iraq.

Yes, when I look at the issue of Iraq, from my perspective and involvement, I believe we have made significant progress in terms of creating a new direction and a new momentum in Iraq. I appreciate the effort of the chairman of the Armed Services Committees in that debate. I appreciate his leadership and for inviting me and others to go with him to Iraq a year or so ago, along with Senator WARNER. We were on the ground meeting with Iraqi officials, as well as our military leadership, to make sure we had the best information as we move forward with the issue on Iraq.

Secondly, I wish to comment on energy. For me, the issue of energy is one of the most important signature issues of the 21st century. I don't think we can do anything that is any less important. This is of monumental importance not only to the people of America but to our entire globe and all of civilization.

The legislation we passed this year, which the President signed today, is legislation that is important because it moves us forward in terms of getting a higher level of efficiency with respect to how we use oil, with respect to how we use electricity in our homes and buildings, and with respect to how we deal with carbon sequestration, to begin dealing with global warming. But there is more work we must do to move forward with an energy package that is something that is doable here among all of us in this Congress. We need to make sure the jet engine powers this clean energy economy into the 21st century, created out of the Finance Committee, which lost by 1 vote—we had 59 votes in the Senate to get that

package adopted—and that we get that across the finish line in the years ahead.

The automobile companies in our country need to have that financial assistance included in that finance package for them to be able to make the transition that is so important to get the higher efficiencies we are asking them to make. There is still a significant amount of work we must move forward with when we deal with energy.

In my view, the inescapable force that ought to bring us together, Democrats and Republicans, progressives and conservatives, ought to be the issue of national security. It ought to be the issue of the environmental security and the economic opportunity we have for our Nation. I hope our successes on energy this year are the beginning of a foundation that will continue to build in the years ahead.

Thirdly, on the farm bill, I am very proud of the work Senators HARKIN, CONRAD, CHAMBLISS, GRASSLEY, BAUCUS, and others accomplished in that effort. It is interesting to note that 78 Senators voted for that farm bill just last week. That is more U.S. Senators voting for that farm bill than any farm bill in the last quarter century. If the Presidential candidates had been here, we would have had 82 or 83 votes for that farm bill. It is a very good bill on what we do in our investments in nutrition and conservation and renewable energy, in all of those things which are important to making sure we have food security in America.

It is my hope that, as we move forward into a conference with the House of Representatives, that legislation can move forward to the President so it can be signed into law so that we can make sure we maintain the food security of America and that we also open a new chapter for American agriculture as rural communities and agriculture help us grow our way to energy independence.

On health care, it is a tougher issue, it is a tough issue, where there has not been significant concern or any concern, frankly, from this administration with respect to dealing with this crisis bankrupting so many American businesses and causing pain to so many American families. When we think about the statistics, the fact is almost 50 million Americans today don't have health insurance. In Colorado, almost 20 percent of the population of the State doesn't have health insurance. It is a crisis in America.

Yes, the White House has not seemed to really want to move forward with any kind of change with respect to health care that will address the pain occurring across America. We tried to make some movement in that direction by providing health insurance to 10 million children in America. If we are going to deal with health insurance, it seems we need to start providing that insurance to the most vulnerable, the children of our country. Yet twice the President vetoed the bills passed out of this Chamber and out of the House. It is my hope that we can return to deal not only with children's health insurance but other health insurance issues that are on the table.

Fifth, I come from a family—just like the Presiding Officer's family—who very much has recognized the importance of education. We very much see that the American dream is made possible through opening up those opportunities to come about through education.

I remember growing up on our farm, where my father would come around the table, and as we were gathered around the table with the kerosene lamp—because we didn't have electricity and a telephone at the ranch—he would say he was a poor man and there was not much he could leave us in terms of a legacy of wealth or a very large ranch. But the one thing he would say to those eight children gathered around that table was that he wanted them to get a good education. He would say: If you get a good education, which you will get because I will insist on it, that is something I prefer to give you over anything else in life in terms of riches because an education is something no one can ever take away from you.

Mr. President, until this year, there had been, in the last 6 years, a policy of disinvestment in education in America. Through the leadership of Senator KENNEDY and Senator ENZI, the higher education programs we reauthorized and funded will provide financial aid and educational opportunity to millions in America. To my own small State of Colorado, about $560 million of additional financial aid will be made possible to the young people who are seeking a higher education.

The passage of the Head Start Reauthorization Act is another investment in our young people. I come from a background of having served my State as attorney general. During the time I was attorney general, I was one of the participants and cochairs of an organization called Fight Crime: Invest in Children. We had a simple agenda. We were crime fighters, law enforcement, and attorneys general, but we realized it was important for us to keep kids out of trouble in the first place. So, as a consequence, our agenda was simple: invest in early childhood education and in afterschool programs. I think the investment we are making in Head Start and the reauthorization of that program is part of that agenda, and I very much appreciate the leadership of the Senate in getting that done.

Finally, returning to an issue in which Senator LEVIN, Senator AKAKA, Senator MURRAY, and others have been so much at the point of the spirit in leading us to a new level of investment and protection of our veterans, this bill, which we approved last night, which is now being considered in the House, which will move forward to the President, will, for the first time, invest in veterans health care at a level that the independent budget of the veterans service organizations have recommended. It is the first time that we have met those funding levels.

The Wounded Warriors Act, which is included in that legislation, will open up a whole new chapter of taking care of those who serve our country. I appreciate the leadership, again, of those who have been involved in that effort.

When I look back at what we have done in 2007 in the Senate and the Congress, yes, it has been a year of robust achievement, but it is also a fact that there is much change that is still needed. I look forward to working with the Presiding Officer and with the rest of my colleagues, both Democrats and Republicans, in achieving that change that is so much needed.

Let me quickly, also, as we move forward to this holiday season, say thank you to the troops who are overseas and to their families for their service and for their sacrifice. As we think about that service and that sacrifice, it is important for us to take stock that this is a real sacrifice.

The statistics today, December 19, 2007, do not gloss over the reality of war and the horrors and sacrifice of war: Total Americans killed in Iraq, 3,896; total Coloradans from my State killed in Iraq, 54; total soldiers from Fort Carson in Colorado Springs who have been killed in Iraq, 226; total Americans killed in Afghanistan, 468; total Coloradans killed in Afghanistan, 8; and the number of wounded over 30,000; the number of wounded in Iraq alone 28,711; the number wounded in Afghanistan, 1,840.

For those of us who have visited Walter Reed, as most of us have, we see the horrors of war with our wounded warriors. It is important that we honor them. It is important that we remember them. It is important that we pray for them in these times and we pray for their families as well.

Mr. President, finally, I say thank you to the leadership in the Senate, especially to majority leader HARRY REID, the man from Searchlight, NV. As he said earlier, even today in some of our meetings, he was a Capitol policeman. He never, frankly, thought someday he would be elected to Congress and then be elected to the Senate and much less to serving as the majority leader essentially in charge of this institution, and yet he is there today.

I am very proud of his work, as are all the rest of my colleagues. Through some very difficult times and difficult procedures, he has led us to have the robust achievements we have been able to accomplish in 2007. I am very proud of the fact that he is in charge as the leader of the agent of change as we move forward into the new year.

Mr. President, I thank you for your time. I thank you for your leadership and example in the Senate.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LEVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SALAZAR). Without objection, it is so ordered.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. LEVIN. Mr. President, I ask unanimous consent that the Senate stand in recess subject to the call of the Chair.

There being no objection, the Senate, at 5:53 p.m., recessed subject to the call of the Chair and reassembled at 6:22 p.m., when called to order by the Presiding Officer (Mr. LEVIN).

ORDER OF BUSINESS

Mr. REID. Mr. President, when we come back in January—we are coming back on the 22nd—we are going to immediately move to the Indian Health Care Reauthorization Act. I have spoken to the chairman of the committee, Senator DORGAN. We are going to do everything we can to finish that legislation on January 22. If we can't finish it January 22 or early on January 23, we are going to move immediately to FISA. I have had a meeting today, for example, with General Hayden and Admiral McConnell, to talk about FISA. I have told them it is going to be very difficult to get this done. It expires on February 1. It is something we need to do. It would be in the interests of everyone to have that legislation extended for a year. I offered to do that earlier yesterday, and the White House said, no, that wasn't a good idea.

We are going to do everything we can to complete that legislation quickly when we get back, after we do the Indian Health Care Reauthorization Act.

Also, one of the things we are going to do is, there is one Senator who has held up scores of pieces of legislation that have already passed the House. These bills have all been reported out of the committee by Senators BINGAMAN and DOMENICI. They are very important pieces of legislation dealing with the jurisdiction of that committee. What we are going to do, and what we have done, is all those bills that have passed the House of Representatives, we put them into one vehicle over here so we will have one vote.

I have offered to Senator COBURN, who is holding these up—I said, I am willing to let you have two or three votes on these. We have been more than reasonable waiting to work through this, in my opinion. I think it is unreasonable that he has held these up. We are going to complete this legislation one way or the other as soon as we complete these other items I mentioned.

I will have more to say about this in a little while, but I spoke to the Republican leader today, and we both have a good feeling about how we have ended the session. Both of us didn't get exactly what we wanted, but there was a feeling of cooperation and bipartisanship. I hope that spills over into next year—I certainly hope so, and I know Senator MCCONNELL feels that way.

I would like to spend a minute on nominations.

My staff, Ron Weich, who does such a wonderful job for me, indicates I said FISA should be extended for 1 year. It should be extended for 30 days, so we have an opportunity to legislate that during that period of time. I appreciate my staff correcting that statement I made.

We have been working with the White House for the last several days in an effort to reach an agreement that works for both sides regarding nominations. We were unable to reach such an agreement before the Thanksgiving holiday. That led to my calling the Senate into pro forma sessions to avoid the President's very objectionable recess appointments. My hope was I could avoid that prospect for the coming holiday. I tried very hard to work with the President. But he indicated he would still use the period of time that we would be in recess to appoint objectionable nominees.

I said go ahead—here are some. We will give you these—for example, the head of the Federal Aviation Agency, somebody on the Board of Governors of the Federal Reserve Board, the Chemical Safety Board. Go ahead and do those recess appointments.

He wanted a person who cannot get through the Judiciary Committee to be Assistant Counsel to the Attorney General, a man by the name of Bradbury. I talked to various members of the Judiciary Committee yesterday. They don't think the man is somebody who should be confirmed by the Senate. I would say, without a lot of hesitation, there is no chance he would be confirmed. It is my understanding he has already been recess appointed. I can't understand why the President wouldn't do what we have suggested.

My only solution is to prevent this and call a pro forma session again. I thought these jobs—there are more than 50 of them, career-ending opportunities for a lot of these people. These are very important jobs. All of them have to be confirmed by the Senate. I could be a Grinch. I could tell the President I will not move any nominations given his demand to make controversial recess appointments. That would mean more than 50 Republican nominees would not move forward today. So during the holidays it would be: Well, maybe when we come back in a month we can do something.

The Republicans would get about 60 nominations. We would get eight.

But I am not going to do that. I am not going to be the Grinch. We are going to go into pro forma sessions so the President cannot appoint people we think are objectionable, but I am not going to meet stubbornness with stubbornness. It is not good for the body politic; just because someone is being unreasonable means we have to be unreasonable.

Think about this. Because the President wants one person whom we cannot get out of the Judiciary Committee, he is willing to hold everything up. It doesn't sound like much of a compromise to me. I can't understand the rationale behind this.

I have spoken with Josh Bolton. Josh Bolton is a very pleasant person to deal with. He has a boss, and that is the President of the United States. So I called Josh Bolton and told him, as unreasonable as I think our President is being, I am not going to be unreasonable. We are going to confirm these appointments this evening; as I said, about 60 for the Republicans, 8 for the Democrats. And I will keep the Senate in pro forma session to block the President from doing an end run around the Senate and the Constitution with his controversial nominations.

I hope this is a Christmas present for these people. These are important jobs, and I wish them well in their jobs. I wish them all a Merry Christmas and a happy New Year with their new positions.

PROVIDING FOR A CONDITIONAL ADJOURNMENT OR RECESS OF THE SENATE AND THE HOUSE OF REPRESENTATIVES

Mr. REID. I ask the Chair to lay before the Senate a message from the House of Representatives on S. Con. Res. 61.

The Presiding Officer (Mr. SALAZAR) laid before the Senate the message from the House of Representatives:

S. CON. RES. 61

Resolved, That the resolution from the Senate (S. Con. Res. 61) entitled ''Concurrent resolution providing for a conditional adjournment or recess of the Senate, and a conditional adjournment of the House of Representatives'', do pass with amendments:

(1) Page 1, line 2, of the Senate engrossed amendment, strike ''adjourns'' and insert: *recesses or adjourns*

(2) Page 1, beginning on line 6, of the Senate engrossed amendment, strike ''or until the time of any reassembly pursuant to section 3 of this concurrent resolution'' and insert: *or until such day and time as may be specified in the motion to recess or adjourn, or until the time of any reassembly pursuant to section 3 of this concurrent resolution, whichever occurs first''*

Mr. REID. I ask unanimous consent that the Senate concur in the House amendment to the concurrent resolution and the motion to reconsider be laid on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

MAKING FURTHER CONTINUING APPROPRIATIONS FOR FISCAL YEAR 2008

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed

to the immediate consideration of H.J. Res. 72.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 72) making further continuing appropriations for the fiscal year 2008, and for other purposes.

Without objection, the Senate proceeded to consider the resolution.

Mr. REID. I ask unanimous consent that the joint resolution be read three times, passed, and the motion to reconsider be laid upon the table, and that any statements be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (H.J. Res. 72) was ordered to a third reading, was read the third time, and passed.

FEDERAL ELECTION COMMISSION NOMINEES

Mr. REID. Mr. President, the Republicans have taken the very unusual step of objecting to a majority vote on their own nominee, Mr. Hans von Spakovsky. I offered them that option. The option was rejected. Mr. von Spakovsky is a very controversial nominee, but I said: Let's have a vote on him. Now, remember, we are not asking for 60 votes. We say: Have a simple majority vote. By that action, not accepting that offer, the Republicans are blocking the Senate from ensuring that the Federal Election Commission can function at perhaps the most important time—during a Presidential election year. What they have done will ensure that the FEC is unable to enforce the new ethics bill we enacted. The agency is in the midst of rulemakings on that law.

There are two conclusions I draw from the objections of the Republicans: First, even Republicans find Mr. von Spakovsky so objectionable that he would be defeated on a majority vote; and second, facing possible defeat for their own nominee, the Republicans would prefer to hold the remaining three unobjectionable nominees hostage and render the FEC unable to function in the next election.

We have offered them a majority vote. We said: We will take a position, a majority vote on all three. They said: No, now we want 60. So the FEC will be unable to function during the next election.

Both the New York Times and Washington Post recently editorialized about the absolutely critical importance of ensuring we have a functional FEC during a Presidential election that promises to bring record sums of money into our political system. Democrats agree. We are prepared to have a majority vote on each of the nominations. But this nominee has been controversial since the President recess-appointed him almost 2 years ago. That controversy stems from his well-documented work as a Justice Department lawyer in the Voting Rights Section.

The Republicans say he is a person whose work on matters that suppress minority voting, such as voter ID and the Texas redistricting, has nothing to do with his responsibility at the FEC, which we feel bordered on illegality, if not being unethical. Work on matters to suppress minority voting has everything to do with the Federal Election Commission. So I take issue with their statements that it means nothing.

The problem my colleagues and I have with him is that his prior work demonstrates that he is at least a partisan manipulator of our Federal election laws. That, it seems to me, is highly relevant to the advice-and-consent duty the Constitution puts in our care as Senators, but that is a decision each Senator in this body should be permitted to make. We are not going to be able to do that. Republican action today prevents us from making it.

Remember, a simple majority vote on their nominee, but they want 60 votes on ours.

It is important to note how we got here and the concessions that have been made on our side.

His history, not surprisingly, led to a number of Senators on our side of the aisle, Democrats—we imposed a 60-vote threshold on the nomination. We originally wanted 60 votes on this nomination. On the other side of the aisle, Republicans demanded that the Senate only consider the nomination of the remaining three noncontroversial nominees if he was confirmed by the Senate. These two positions could not be further apart. In view of that impasse, I have long suggested that the White House withdraw his name and substitute a new name of the President's choosing. Despite this, the nomination has endured.

As the days ran short in this session, my Democratic colleagues indicated to me that they would reconsider and allow a majority vote on each of the nominees. That resulted in my ability to make this offer to Republicans of a majority vote, and I thank my colleagues for their work with me in this regard. I appreciate very much that we could have a 50-vote margin on this controversial nomination and on the rest. That work should have meant that the FEC would continue to function. The Federal Election Commission will not be able to function. It should have meant that campaign finance laws would be enforced in the next election. It should have meant that the FEC would be able to complete its new binding rules as it relates to bundling, but it will not because Republicans have obstructed a vote on these nominees, including a vote on their own.

The Republicans seek confirmation even though a majority of Senators may not support that nomination. That, it seems to me, is truly extraordinary.

A lot has been said about the precedents of FEC appointments. A Republican Senator came out here yesterday and said there is precedent for this. Arguments made yesterday are that essentially FEC nominations always move as a package, always move together. But that is, of course, simply not true. It is true that FEC nominees have usually moved as pairs by unanimous consent, and that pairing of nominees is generally a rule on all boards and commissions: Here is a Republican, here is a Democrat; let's get it done. We do not need a lot of time on the floor. That is a fact, not by reason of precedent as much as by reason of necessity. Nomination pairing occurs because it gives both sides a reason to come to the table and confirm nominees.

There are also cases of FEC nominees not moving together by unanimous consent. One recent case is that of former FEC Commissioner Brad Smith. Mr. Smith was very controversial on our side of the aisle and required a roll-call vote, which he got. He succeeded in winning confirmation.

There are also cases I have known where a Republican President did not respect the Democratic selection of an FEC nominee. For example, President Reagan refused to send the Democratic selection of Tom Harris because the Republicans objected to his nomination.

These different examples do show there is no single precedent about how nominations are handled. As is so often the case of nominations, a lot depends, as it should, on the actual identity of the nominee in question. I do think, however, that as a rule the offer of a majority vote on a nominee is presumptively fair. If the nominee is so controversial that he cannot win the support of a majority of Senators, the Constitution and the rules of this body dictate the appropriate outcome for that nominee.

It is my hope that my colleagues on the other side will reconsider this position. I would hope this White House would reconsider their support for this controversial nomination. If they do not, the responsibility for a defunct FEC rests squarely on their shoulders.

DEMOCRATIC ACCOMPLISHMENTS

Mr. REID. Mr. President, we have reached the end of a long, hectic, at times contentious and frustrating but unquestionably productive first year of the 110th Congress.

We welcomed back our friend and colleague, Senator TIM JOHNSON, who has made an extraordinary recovery, and we were so happy this week to see him walk in the Senate Chamber.

We lost a friend in Craig Thomas, said hello to his successor, Dr. JOHN BARRASSO, and said goodbye to Senator TRENT LOTT last night.

We held an unusual three Congressional Gold Medal ceremonies, three of them this year. That is very unusual.

We honored the Tuskegee Airmen for showing America that valor is colorblind.

We awarded a Gold Medal to Dr. Norm Borlaugh for putting food on the tables of billions of people—not millions but billions. This scientist figured out a way to grow a lot of food very quickly.

The Dalai Lama was awarded the Gold Medal for planting seeds of peace throughout the world.

Of course, we tried to address the major issues that affect us at home and abroad. Although these efforts occasionally ended in frustration, the record will show we also made real progress on behalf of the American people in spite of the fact that yesterday the record was broken—62 filibusters in 1 year; in 1 year, they broke the 2-year record. The record previously was 61 filibusters in a 2-year period. Yesterday, it was broken in a 1-year period.

But as we return home to spend the holidays with our families and constituents, all 100 Senators can say with confidence that we have taken steps to make our country safer, stronger, and more secure—I guess after last night, with Senator LOTT's resignation, all 99 of us.

This Congress put working families first. We passed the first increase in the minimum wage in a decade to get the hardest working but least paid Americans more to make ends meet. Remember, 60 percent of the people who draw minimum wage are women, and for the majority of those women, that is the only money they get for themselves and their families.

We passed a bill to help Americans avoid foreclosures and keep their homes. According to RealtyTrac, Nevada has seen 47,000 foreclosure filings this year alone. This legislation is desperately needed.

We invested in community health centers, high-risk insurance pools, and rural hospitals to give lower income Americans a better chance for healthy lives.

We passed—and I was with the President as he signed it at the Department of Energy building today; he signed a landmark energy bill which will save consumers money on their heating bills, lower gas prices, and begin to stem the tide of global warming. For the first time in 32 years, we have increased fuel-efficiency standards—extremely important. We could have done better. I am happy we got this done. We were one vote short because we could not get another Republican, one vote short of passing legislation dealing with energy that would have been so wonderful. It would have given long-term tax incentives for our great entrepreneurs in America to invest in solar, wind, geothermal, bio. But we will be back in the next few months and try that again. I feel confident that we will pick up another vote.

We also have invested in education with funding for title 1, special education, teacher quality grants, after-school programs, Heat Start, and student financial aid—the most significant change in higher education as it relates to keeping kids in school and letting them go to school since the GI bill of rights. On higher education, we believe that all children, regardless of the wealth of their parents, should have an opportunity to go to college.

This Congress also made our country safer.

After 3 years of inaction by the Republican-controlled Congress, we finally have implemented the recommendations of the 9/11 Commission, which helps secure our most at-risk cities. It gives our first responders the communications tools they need in an emergency and improves oversight of our intelligence and homeland security systems.

We provided funds to replace the equipment our National Guard and Reserve have lost because of the war in Iraq.

We secured permanent funds for western wildfires and other disaster relief that makes our country safer.

This Congress has supported our courageous troops with more than words but action. Despite the President's opposition, we gave every man and women in uniform an across-the-board 3.5-percent pay raise. We provided much needed funds for body armor and other protective gear to keep our troops safe during this combat that they fight in Afghanistan and Iraq.

We exposed the awful neglect at Walter Reed and other military health care centers. We passed the Wounded Warrior Act and other legislation that ensures the veterans receive the physical and mental health care they need.

A fair reading of the RECORD will show that we have not accomplished everything we had hoped. This was not for lack of effort by us. On issue after issue, a majority of the Senate expressed support for change, only to be thwarted by Republicans in the minority wedded to business as usual, the status quo.

On Iraq, a bipartisan majority of Senators consistently supported changing course. Like the American people, this majority is saddened to say that after nearly 5 years, nearly 4,000 American lives lost, more than 30,000 wounded, a third of them grievously wounded, and some say as much as $800 billion spent, there appears to be no end in sight for the Iraq war. But last night, I think we showed that even Republicans are losing support for this war. The President asked for $200 billion; they got $70 billion. So even the Republicans understood that the President should not have a blank check.

Unfortunately, the President still refused to heed the call of the American people to responsibly end the war, as Republican supporters in Congress continue to stand by him. On more than 40 separate occasions, the President's supporters denied the Senate from even voting on a change in course. Only once did they step aside and let the majority speak, and on this occasion the President wielded his veto pen and halted our efforts to begin a phased redeployment of our forces from Iraq so we can focus on those who attacked us on September 11, bin Laden and al-Qaida.

Just today, the Washington Post reports that the people of Iraq believe they would be better able to reconcile the nation without our combat presence.

A major story in the Washington Post today pronounced that the Shias and all their different sects, the Sunnis and all the different Sunni sects, and the Kurds, all agree that the invasion is the problem in Iraq today. We are an occupying force. I quote: The Iraqis believe our presence ''is the primary root of the violent differences among them and see the departure of 'occupying forces' as the key to national reconciliation . . . ''

This has been clear for a long time, and the President should start listening. The war will soon be starting its sixth year. Even as the war rages on, this Congress has made a difference. Before Democrats took control of Congress, the President's Secretary of Defense was named Rumsfeld. He and the Bush White House and the Cheney White House conducted the war with total impunity. No dissent was tolerated. The patriotism of those who raised questions was attacked openly. Billions of taxpayer dollars were given to companies such as Halliburton with little or no accountability. But this year, Democrats have fought the President's recklessness in the harsh light of day. We forced the President to set benchmarks for legislative and political progress and required regular reports on whether these benchmarks were being met, which has shown that the surge has failed to reach its main objective—as set forth by the President, not us—political reconciliation. We compelled General Petraeus to testify. He has said repeatedly the war cannot be won militarily; it can only be won politically. We brought to light the Blackwater controversy and have begun to untangle the web of massive financial mismanagement in Iraq that has cost American taxpayers dearly.

Do I feel enough has been done? Of course not. Too many Republican Senators continue to fall in lockstep with the President on the war. It is frustrating for all of us who so desperately want to change course. The Iraq war has not been the only source of frustration. Bush-Cheney Republicans have set an all-time record for obstruction. They have almost made a sport of it. If my Republican colleagues had reached across the aisle to work with us more often, as we tried to do with them, they would have found us willing and eager to find more common ground.

Children's health insurance, about 15 million people have no health insurance in the country. But sadly, some of those people are little people. They are children. What we tried to do and did do on a bipartisan basis—and I appreciate my Republican colleagues for sticking with us—we passed twice a

children's health initiative that the President vetoed, a bill that would give 10 million children the opportunity to go to the doctor when they are not feeling well or even maybe for a checkup. They would have a place to go if they were in an automobile accident or some injury was suffered. The President vetoed that. So what do we have now? We have 5.5 million less children who have more limited benefits than we would have given them. Instead of 10 million children with a very nice insurance policy, we have 4.5 million children with a bad insurance policy—better than nothing but not a good one.

It is my goal for the coming year to redouble our efforts of finding common ground. I am hopeful my Republican colleagues will join us. I believe this year's session will be remembered more for progress than setbacks. Yesterday Senator MCCONNELL said: ''We have come to a very successful conclusion of this year's Congress.''

I agree and thank my Republican counterpart for those words. He and I have gone through some difficult times this year. The Senate has gone through some difficult times. Senator MCCONNELL and I have criticized each other at times, never personally but on a political basis. That is how it is supposed to be. Senator MCCONNELL has been at all times a gentleman. I have done my best to reciprocate.

I thank my 50 Democratic Senators I have the honor of being able to be the leader of for entrusting me with the office of majority leader. I am grateful for the opportunity to be a Senator. I am grateful for the opportunity to be the leader of these 50 wonderful men and women. I will continue to do the best I can during the next year, recognizing my failings and weaknesses, but also working on what strengths I have to the best of my ability.

I also take an opportunity to thank this staff, the people before the Presiding Officer, who do everything they can to make us look good. They work so hard. Some of us got home by midnight last night. Many of these people were here much later than that. When we get here in the morning, they are here earlier than we are. These are people who do all kinds of different work. I have been in Congress for 25 years. I don't understand all of what they do, but what they do makes our jobs meaningful and successful.

As we speak, we have plainclothes police officers here to protect us from the evil people who are trying every day to infiltrate this beautiful building and do harm to us and this building. I was a Capitol policeman, very proud of that. I carried a gun for the U.S. Capitol Police when I was going to law school. I am always trying to recognize their good work on our behalf.

Without identifying individuals by name, I am so grateful for the help I get. But I would be remiss if I did not mention two people, and that is Marty Paone, whom I depend on every day I am here—there are few hours I am here that I don't depend on him—and, of course, Lula Davis who runs this floor with an iron hand. I am not going to go through the entire staff, Trish and Tim and everybody, but I wanted to give special recognition to those two people who do so much for me on a daily basis. Then my personal staff: My chief of staff Gary Myrick, who works so hard and is separated from his family a lot more than he wants to be. That includes my entire staff, who devote long hours to me and the Senate and to our country. I am very grateful.

As I told my caucus today, these staff people are so well educated, so well trained, do so many different things. But they are interested in public service, trying to make this country a better place. That is what we are all here trying to do for our country. I wish every one a Merry Christmas and a Happy New Year.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Ms. STABENOW. I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Ms. STABENOW. Mr. President, as we bring the session to a close, I want to spend a moment speaking about how far we have come this year. Our leader, who was speaking about accomplishments, is someone whom we should all be thanking for his leadership in bringing us to a point where we have been making changes that affect middle-class families all across America in a very positive way. There is a lot more to do. We are anxious, frustrated, pushing hard, because there is a lot more to do. But we have made a great start. We have made a downpayment on the change families are asking us to make. It has not been easy because we have seen an effort of continually trying to block change, of filibusters which are a way to drag things out, slow things down, stop things from happening. It is quite extraordinary.

In the past, the highest number of filibusters was 61 over a 2-year period. Our Republican colleagues actually beat that in 1 year, 62 different times running the clock out, slowing things down. It was extraordinary to me as a member of the Agriculture Committee—and the distinguished Senator in the chair is also a committee member as well—to see almost 3 weeks of filibustering on the farm bill, an effort to address food security and energy security and move us forward on farm policy. Fortunately, we were able to get beyond that. But we have been able to get beyond this extraordinary wall of objections over and over again because of the amazing and consistent and dedicated leadership of our leader and all of those in leadership, our committee chairs and others who have been so dogged and diligent about wanting change to happen.

I did want to particularly recognize Senator REID, who is more committed to our fight to maintain the American dream and quality of life for families and businesses and farmers and Americans all across the country than anybody I know. I thank him for that.

We have achieved tremendous gains. We have seen change happen. We have raised the minimum wage this year. We have created open doors in a real way for people to go to college—for low-income families, we raised the Pell grant twice this year—but also to make sure that middle-income students can afford to borrow at lower interest rates, cutting interest rates in half in order make it possible to go to college and have the American dream. We have passed so many different bills that address our safety and security and opportunity for families. There is so much more to do. But we are focused. As we come to the end of this year and we think about all of what is affecting families today, all the pressures that families feel, it is important to say one more time that we understand, we get it. We are working very hard because time is of the essence.

Frankly, there are things that should have been done that haven't been done. We are going to be right back at it in January.

I am proud of the fact that we have addressed one of the major concerns for families in Michigan and all across the country who face the loss of a home because of the mortgage crisis, because of predatory lending practices or other circumstances in which they find themselves in a situation of losing their home.

Last week on Friday we were able to pass FHA reform that will allow more people to get refinancing for their homes. This is an important step. I am pleased to have led the effort to make sure the law was changed so that if somebody loses their home or refinances below their mortgage value, they don't end up getting hit with another tax bill on top of losing their home. We have a lot of families right now who are coming up to Christmas. They don't have a place to put the Christmas tree. They don't have a home now, or they are worried about whether they will be able to have their home next Christmas. There are tremendous pressures that families are experiencing on all sides.

We have been able to take two steps to address that: one, to make sure that if a family finds themselves in that situation, they don't also have the insult of adding a tax bill to their economic crisis. That is great. I am very proud of that. I am proud we were able to work together with colleagues on both sides of the aisle in the House and in the Senate and the President. I commend the President for working with us on that issue. I am hopeful he will do more of that. We need him working with us on hundreds of things that will make a difference in people's lives. But I am pleased in this one area where we were able to do that.

People are feeling squeezed. As the distinguished Presiding Officer knows, people are feeling squeezed on all sides in their lives. Too many people are seeing their wages go down, if they have a job. They see their health care costs go up, their gas prices go up, their health care costs go up—all the costs—the costs of college going up.

One by one, we are addressing those issues. We are focused on making change happen, to help families working hard every day who want to make sure the American dream is there for their kids and for their grandkids, who love this country. They are people who love this country and say: Hey, what about us? Is anybody paying attention to us? The majority of Americans who are working hard every single day, following the rules, who love their family, love their faith, and want to know somebody is paying attention to their needs and their lives and their desire to have that American dream and to have the American way of life. So we understand that.

I am proud to be part of the majority that has made a commitment to address those things—whether it is bringing down the cost of college, raising wages, being able to address the costs of gas and energy; whether it is addressing food and nutrition and conservation and alternative fuels or the mortgage crisis.

The common theme for us is: Making change happen for middle-class Americans and those who love our country and want us to help them be able to keep that American dream, by having the rules be fair and having it make sense for them in this country.

TRADE ADJUSTMENT ASSISTANCE ACT

Ms. STABENOW. Mr. President, in a moment, I am going to offer a unanimous consent request to pass H.R. 4341, which is a 3-month extension of something called the Trade Adjustment Assistance Act. We call it TAA.

But first I wish to speak for a moment about this program, because when we talk about families, when we talk about middle-class families—people who love this country, who play by the rules every day, and want to know that they can take care of their kids and have a job and a home and all those things we want for our children—we have a group of people in this country who, through no fault of their own, have found themselves losing their job because of this global economy we have—something called trade, jobs being shipped offshore.

Certainly, I support trade. We all support trade. But I want to export our products, not our jobs. Back when the free trade laws were passed, NAFTA and others, there was a commitment made by the Federal Government to help those who are caught in the middle, who lost their job because of trade policy.

Their job goes away, and the Federal Government is the one passing these trade laws. So the Federal Government said: OK, we are going to help people transition to new jobs, to be able to get the help, the support they need—some help for health care in the short run and be able to go back to college, go to community college, go to trade school, whatever they want to do to be able to transition, to be able to keep their standard of living, and, again, to keep their way of life.

We are in a situation right now where the Trade Adjustment Assistance Program will expire at the end of this year, and we have been pushing very hard for a simple 3-month extension. The House sent to us a simple 3-month extension of the current law until we can revise and update the law.

Now, I have to also say, I am very pleased, as a member of the Finance Committee, to be working with our chairman, to have joined him in introducing a very important bill to improve trade adjustment assistance, to be able to expand what we can do to more adequately meet the needs of workers and families and communities and small businesses that are impacted by unfair trade situations or the loss of jobs through trade.

But, right now, we have an immediate situation, an immediate situation going on that will affect thousands—tens of thousands, hundreds of thousands—of Americans across the country if this law expires. We have been doing everything possible to be able to simply get a 3-month extension. We did that once back in September—a 3-month extension. We are asking for another 3-month extension so we can pass this broader, more up-to-date law that will help more people.

When I think about this issue, it is something that is shocking to me, to think we would even have to be struggling with our Republican colleagues about a 3-month extension. I think about Greenville, MI, on the west side of Michigan, a town of about 8,000 people, who saw their Electrolux plant—they made refrigerators—that employed 2,700 people—they did a great job; they worked in three shifts; they were making a profit—but the company decided they could make a bigger profit if they moved to Mexico.

After a lot of discussion with the State, myself, and others in the Federal Government—how could we help them be able to stay—they said: Do you know what. You can't compete with $1.57 an hour and no health benefits, no pension benefits in Mexico. So they left.

The people in Greenville, MI, have been counting on the Federal Government to keep its promise through trade adjustment assistance, to be able to help them pick themselves up and continue their lives.

This is not some theoretical debate. I know these people. I know people in communities all across Michigan who have been told: Gee, we are sorry this current race to the bottom in trade, where you go to the lowest wage around the world, is affecting you. We are sorry about this, but at least there is the thing called TAA, trade adjustment assistance, that can help you.

Well, right now this is running out. It may not be there for new people who find themselves in a situation similar to the folks in Greenville. That is outrageous. When we think about the obstruction that has gone on, on this floor over and over and over again, the 62 different filibusters, the obstructions, the objections that have gone on, you would think, a few days before Christmas, the holidays—a time of charity and good will—we could come together, that our colleagues would join with us and simply allow a current law to continue for 3 months—just 3 months. That is it; just 3 months.

Unfortunately, our Republican colleagues have held this issue hostage over a totally unrelated issue. They have wanted to tie this to a dispute regarding the FAA. Certainly, the FAA is important, but they want to tie it to a dispute there and are blocking our efforts to simply move forward on a 3-month extension of something that directly helps working people in this country—families, communities. It helps families be able to stay intact, be able to move into this new economy, new world that everybody is talking about that involves a different kind of trade policy.

Our leader has offered that we will deal with trade adjustment assistance, a 3-month extension, but also address the unrelated Republican FAA proposal on its own, that both would be dealt with but dealt with separately. For some unknown reason, that was not acceptable. There has been a desire to tie them together and to object to proceeding on this very important effort to support families and to make sure nobody falls through the cracks come January 1.

That is the least we can do in the Senate. If this program expires, unemployed men and women all around America are going to be in a position to be denied the help they need to be able to continue on with their lives. Those who are currently involved in the program will be able to continue to receive help, but I can assure you, coming from a State in great transition right now, with thousands of people falling into that situation, where they need trade adjustment help, we have people who have been waiting and waiting and waiting and will find themselves in a situation on January 1 with no help.

This is not acceptable. This is absolutely not acceptable. It does not have to happen. There is absolutely no reason for this. We have a simple House bill in front of us—no secrets; very simple. Very simple: extend this critical program through Christmas, through New Year's. Get us into the new year so we can work out any other differences and let families be able to know we understand and we are not going to use unemployed men and

women, who are unemployed through no fault of their own—the plant picks up and goes to Mexico, goes to China, goes someplace else. This is not their fault. They want to work. They are great workers. They are going to continue to find a way to work. But to hold them as pawns at this time is shameful.

So, Mr. President, I am being told there is going to be a Republican objection. I received a note to that effect. I am told there is no one here who is able to object at this time. But due to the courtesies of the Senate, I will not ask, although I am very tempted, I have to tell you—but due to the courtesies involved in the Senate, and the rules of the Senate, I will not proceed to ask for unanimous consent because, in fact, I have received a notice that the Republicans will, in fact, be objecting one more time, one more time, one more time to our ability to support and help working men and women and their families for the next 3 months.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXTENDING AIP CONTRACT AUTHORITY

Mr. REID. Mr. President, Congress is currently considering proposals to extend contract authority for the Airport Improvement Program, which is known as AIP. If lawmakers—that is us—are unable to reach an agreement and fail to pass legislation extending contract authority before Congress adjourns for the year—that will be in a few minutes—the funding for critical safety, security, and capacity projects at airports throughout the country will be delayed.

The omnibus does not contain any funding authority from the aviation trust to pay for airport grants. The short-term extension includes such funding authority for 6 months and has formula changes that allow the Department of Transportation to run the program with only half a year's funding. If the separate FAA extension isn't passed, the Department will not be able to make any grants to airports.

Lack of contract authority for the Airport Improvement Program grants would cause significant impact. Unless rectified through authorization, the program would lose a construction season for airports that have had to bid contracts early due to winter weather for work in the spring and summer.

Delaying these funds would be particularly hard on small airports that rely on this funding as the primary source of revenue for infrastructure projects and those airports in parts of the country with short construction cycles.

Since Congress has been unable to pass a multiyear Federal Aviation Administration authorization bill, airports are urging Congress to pass legislation that will extend the authority through the end of March for a total of 6 months of funding.

Extending this contract authority through the end of March would provide airports with more than $1.8 billion in AIP funds. Extending the AIP contract authority through the end of March will allow the FAA to fully fund the Letter of Intent Program, which provides funding for critical infrastructure projects at major commercial airports around the country.

It was my intention to ask unanimous consent to pass S. 2530, the Federal Aviation Administration Extension Act for 2007, which was introduced earlier. It is my understanding that there would be a Republican objection, so, sadly, I will withhold asking for that consent.

I am disappointed that this is not going to be able to go forward. There are many airports around the country, airports in Pennsylvania, and I am sure in Nevada and other parts of the country that, simply will be unable to do what they need to do for the people who are so dependent on them, especially these rural airports.

HONORING OUR ARMED FORCES

Mr. LAUTENBERG. Mr. President, another month has passed, and more American troops lost their lives overseas in Iraq and Afghanistan. It is only right that we take time in the Senate to honor them.

Since last memorializing the names of our fallen troops on November 16, the Pentagon has announced the deaths of 39 troops. They lost their lives in Iraq and in Operation Enduring Freedom, which includes Afghanistan. They will not be forgotten. Today I submit their names into the RECORD:

PFC Juctin R. P. McDaniel, of Andover, NH
SGT Austin D. Pratt, of Cadet, MO
PVT Daren A. Smith, of Helena, MT
SFC Jonathan A. Lowery, of Houlton, ME
SSG Michael J. Gabel, of Crowley, LA
CPL Joshua C. Blaney, of Matthews, NC
SGT Samuel E. Kelsey, of Troup, TX
SPC Brynn J. Naylor, of Roswell, NM
CPO Mark T. Carter, of Fallbrook, CA
SSG Gregory L. Elam, of Columbus, GA
CPL Tanner J. O'Leary, of Eagle Butte, SD
CPL Johnathan A. Lahmann, of Richmond, IN
SPC Randy W. Pickering, of Bovey, MN
SGT Eric J. Hernandez, of Waldwick, NJ
PVT Dewayne L. White, of Country Club Hills, IL
CPT Adam P. Snyder, of Fort Pierce, FL
SGT Kyle Dayton, of El Dorado Hills, CA
SGT Blair W. Emery, of Lee, ME
SPC Matthew K. Reece, of Harrison, AR
SFC John J. Tobiason, of Bloomington, MN
CPL Allen C. Roberts, of Arcola, IL
PVT Isaac T. Cortes, of Bronx, NY
SPC Benjamin J. Garrison, of Houston, TX
SSG Jonathon L. Martin, of Bellevue, OH
SPC Melvin L. Henley, Jr., of Jackson, MS
SGT Alfred G. Paredez, Jr., of Las Vegas, NV
PFC Marius L. Ferrero, of Miami, FL
CPL Jason T. Lee, of Fruitport, MI
CPL Christopher J. Nelson, of Rochester, WA
2LT Peter H. Burks, of Dallas, TX
SSG Alejandro Ayala, of Riverside, CA
SGT Steven C. Ganczewski, of Niagara Falls, NY
SGT Mason L. Lewis, of Gloucester, VA
SGT Kenneth R. Booker, of Vevay, IN
2LT Stuart F. Liles, of Hot Springs, AR
SPC Ashley Sietsema, of Melrose Park, IL
CPT David A. Boris, of PA
SPC Adrian E. Hike, of Callender, IA
SGT Derek R. Banks, of Newport News, VA

We cannot forget these brave men and women and their sacrifice. These brave souls left behind parents and children, siblings, and friends; we want them to know the country pledges to preserve the memory of our lost soldiers, who paid the ultimate price, with the dignity they deserve.

FHA MODERNIZATION ACT

Mr. SUNUNU. Mr. President, last week, I was pleased to support passage of the FHA Modernization Act, S. 2338. This legislation will update the FHA program so that it once again is better able to provide many low-income and first-time homebuyers another option as they try to secure a mortgage for a new home or to refinance an existing mortgage under more affordable terms.

As some consumers experience credit tightening in the home mortgage and other financial markets, a byproduct of issues in the subprime mortgage market, the availability of stable financing alternatives is critically important to reducing the negative effects of the current market turmoil.

While the FHA Modernization Act is not a silver bullet, it represents a responsible step the federal government can take to benefit thousands of borrowers around the country.

Additionally, in the last several days Congress passed a measure, which I cosponsored, that encourages homeowners and their lenders to work out alternative payment plans that prevent individuals from losing their homes. The Mortgage Forgiveness Debt Relief Act, H.R. 3648, will protect taxpayers from an IRS tax bill in the event they have a portion of their mortgage debt forgiven. Under current law, homeowners entering foreclosure or refinancing their mortgage at a lower loan value due to a drop in housing prices, face an unfair and unwarranted tax. The last thing someone struggling to stay in their home needs is a huge tax obligation on income that they never saw. I expect the President to sign this legislation into law in the coming days.

In addition to the legislation recently advanced by Congress, the Federal Reserve proposed a rule this week that would prohibit lenders from making so-called ''no documentation'' loans where a borrower's income or assets are not verified; prohibit lenders from engaging ''in a pattern or practice'' of lending without considering a borrower's ability to repay a loan; restrict prepayment penalties on certain

loans; and require lenders to establish escrow accounts for property taxes and homeowners insurance.

The proposed rule would also restrict ''yield spread premiums'' that exceed the amount a consumer had agreed to in advance; prohibit coercion of an appraiser to misrepresent the value of a home; prohibit certain deceptive advertising practices; and improve certain truth-in-lending disclosures.

While I look forward, as a member of the Banking Committee, to reviewing the Fed's proposed regulations in the coming weeks, the committee should proceed cautiously as it considers more aggressive attempts to address current issues in the housing market. With the housing correction already under way and with the restricted credit availability that we are now experiencing, some of the proposals that have been floated may have the unintended consequence of exacerbating reduced credit availability at exactly the wrong time. Others may unnecessarily use taxpayer dollars to encourage unwise behavior in the future.

Any further legislation in this area needs to be thoroughly reviewed to ensure that it will have a positive effect on homeownership in this country, both now and in the future, and not simply rushed through Congress for the sake of political expediency.

One piece of legislation that the Senate Banking Committee should address as soon as possible is GSE reform. The House passed legislation earlier this year that strengthens the oversight of Fannie Mae and Freddie Mac. With the ongoing difficulties in the housing market, now more than ever it is imperative that Congress act to guard against threats to our capital markets and to protect against any possible negative consequences for taxpayers that could arise without proper oversight of these institutions. Fannie and Freddie have had a number of problems over the past several years and are so centrally important to the mortgage market that any further problems could have serious repercussions that could spread throughout our financial markets.

The GSE's regulator needs to be strengthened so that Fannie and Freddie can continue their important role in supporting the mortgage market. Any efforts to enhance their role in the mortgage market must not move forward until fundamental regulatory reform is enacted.

CONSOLIDATED APPROPRIATIONS ACT

Mr. SANDERS. Mr. President, last night I indicated my strong concerns about the omnibus appropriations bill, a bill that I expected to include all domestic spending as well as funding for the war in Iraq. Notably, I discussed my grave misgivings about funding for the President's disastrous, ongoing and ill-conceived war. I also raised my unease with last-minute additions of loan guarantees for questionable energy sources, such as the building of new nuclear power and for coal-related energy, especially coal to liquids.

Last night, I voted against an amendment to provide the President with a blank check for his war. Until even later in the evening, I thought that the war funding would be attached to the domestic spending legislation set for vote that evening. However, it was clear by the time of the domestic spending vote that the Iraq war funds were kept separate. I remain very concerned with the nuclear and coal loan guarantees that were inserted, I decided that, on balance, the domestic spending bill that would fund, among other important priorities, community health centers and health care for many Americans in need, deserved my support. I regret the insertion of the ill-conceived loan guarantees and will work with my colleagues to address them.

Mr. LIEBERMAN. Mr. President, the famous test pilot Chuck Yeager once said: ''Any landing you can walk away from is a good one. But a perfect landing is one where you can fly the plane the next day.''

When it comes to homeland security, the Omnibus appropriations bill which Congress approved last night is a good landing in the sense that we can all go home for the recess having improved funding for the Department of Homeland Security over the President's wholly inadequate budget request.

But it is not a perfect landing because it leaves some important initiatives stuck on the ground due to either a lack of funding or misplaced priorities.

First the good news: Overall the omnibus includes $38.7 billion for the Department of Homeland Security, DHS, for fiscal year 2008, including $2.7 billion in emergency funds for border security and other needs.

This is significant improvement over the President's $34.3 billion request, with the additional money going to help our first responders and State and local governments purchase equipment and receive the training they need to effectively respond to man-made or natural disasters; to better protect our ports and railways; to increase security on our borders and in our airports, and to confront the looming threat of terrorists attacking us at home with improvised explosive devices, or IEDs.

Specifically, the bill includes $950 million for FEMA's State Homeland Security Grant Program, SHSGP—the full level authorized in the Implementing the Recommendations of the 9/11 Commission Act of 2007, which Senator COLLINS and I authored. SHSGP grants provide critical support for prevention, planning and response efforts by State and local governments. They help fund training, exercises and equipment for our Nation's first responders and support fusion centers that allow officials to share information that can prevent terrorist attacks.

The omnibus also includes a combined $750 million for the assistance to firefighters grants and SAFER grants programs, both of which provide vital support to the nation's courageous fire fighters.

Also, the emergency management performance grants program, which supports all-hazards planning and preparedness, received an increase of $100 million over last year's level for a total of $300 million.

And a new interoperable communications grant program, included in the 911 implementation bill, will receive $50 million in funding a positive step towards what I hope will be a greater commitment to provide dedicated funding for what is still the number one priority of state and local officials.

FEMA which is in the midst of a much needed transformation prescribed in the Post Katrina Emergency Management Act, which I also co-authored with Senator COLLINS also does well in the Omnibus, receiving $724 million $189 million above its fiscal year 2007 level. This includes an additional $100 million for FEMA's core operations programs, which are critical to the agency's efforts to turn itself into a world-class response agency capable of leading our Nation in preparing for and responding to a catastrophe which it clearly was unable to do with Hurricane Katrina in 2005.

Rail and transit security grants receive $400 million, $225 million above 2007. These much needed investments will help improve security in transportation modes which have been largely neglected, relative to airline security, even though terrorists have time and again demonstrated that they are primary targets.

Port security grants are funded at $400 million as authorized by the SAFE Port Act $190 million above last year's level. The legislation also includes $13 million for the secure freight initiative and global trade exchange programs—funding which will further help close another glaring weakness in our homeland defenses.

I am a vocal proponent of comprehensive immigration reform. This includes reforms to strengthen of our borders. The omnibus moves us closer to that goal.

The bill provides $6.8 billion for Customs and Border Protection, CBP, to improve security at the borders, including funds to continue limited use of National Guard troops on the border and hire 3,000 additional border patrol agents.

The bill also provides $1.2 billion for border security fencing to complete 370 miles by the end of fiscal year 2008 and almost $15 million for additional unmanned aerial systems to patrol the border.

And the omnibus includes $475 million for the U.S. VISIT program used to track the entry and exit of foreign

visitors and $36 million for a new electronic travel authorization for travelers from Visa Waiver Program countries which was authorized by the 911 implementation bill.

I am also pleased that another initiative I advocated—the development of a national strategy for use of closed circuit televisions to enhance national security—was included in the final omnibus package.

The omnibus also helps us strengthen chemical security by providing $50 million—a significant increase over the President's original request—to protect chemical facilities from terrorist attacks. We know that chemical sites pose a serious homeland security vulnerability and we must ensure that DHS can help them enact meaningful security measures as soon as possible. I am also pleased that this legislation safeguards the ability of states and localities, who are our partners in homeland security, to enact stricter chemical security standards where appropriate.

Finally, the omnibus also includes a $10-million increase for the Office of Bombing Prevention that Senator COLLINS and I added as an amendment on the floor.

We have to confront the fact that highly lethal and simple-to-make IEDs have become the preferred weapon of terrorists and the Department of Homeland Security must have adequate resources to help State and local officials defend against this likely threat.

But, as I said earlier, there are some problems with this bill and I hope we can improve upon it next year.

To begin with, this bill contains a record amount of earmarks for homeland security—$443.8 million by my count. Earmarks can be valuable, but I fear that at this kind of record level we run the risk of being forced to take money away from more important initiatives.

For instance, the pre-disaster mitigation grant program, which was not previously earmarked, now contains 96 specific earmarks totaling $51.3 million—nearly half the total appropriation for this program designed to mitigate the impact of future disasters.

Also, regrettably, the omnibus appropriations bill does not include funding for a consolidated headquarters for DHS, which is essential to establishing a unified culture at the Department.

Currently, DHS is spread throughout 70 buildings across Washington and the Capital region, making communication, coordination, and cooperation between DHS components a significant challenge.

The elimination of this funding simply prolongs an unacceptable status quo and hinders the homeland security mission, and I will work hard to restore this funding in future appropriations.

Finally, I am deeply disappointed that the omnibus bill unnecessarily delays full implementation of the Western Hemisphere travel initiative, WHTI, until June 1, 2009.

Inadequate inspection of travelers to the United States from Canada, the Caribbean, and Mexico was identified by the 9/11 Commission, the GAO, and the State Department as a critical vulnerability to our travel systems. The language hardening the implementation deadline included in the Omnibus bill ties the hands of DHS and prevents it from finalizing additional security enhancements before such date.

Again, the Omnibus appropriations bill is a good landing but not a perfect one and I hope as we begin wrestling with next year's budget we can make the appropriate fixes that will get certain needed programs off the ground.

Mr. CORNYN. Mr. President, as vice chairman of the Senate Sportsmen's Caucus, I am concerned about misguided efforts by some in Congress to ban Federal funding from flowing to international wildlife conservation organizations and programs that support regulated recreational hunting, particularly on the African continent.

The facts are clear. Twenty-three African counties currently license approximately 18,500 hunters, generating over $200 million annually in the process. Regulated recreational, sport, and trophy hunting is saving many animal species in Africa. Licensed and regulated tourist hunting boosts local economies and propagates wildlife by providing foreign governments and villagers a financial incentive to protect and conserve local wildlife populations.

In September of this year, I joined my colleagues on the leadership team of the Senate Sportsmen's Caucus in sending a letter to our conferees negotiating the Department of State and Foreign Operations funding bill with the other Chamber. We laid out the facts and noted that even the National Geographic News reported in March 2007 that ''trophy hunting is of key importance to conservation in Africa by creating [financial] incentives to promote and retain wildlife as a land use over vast areas . . .''

Tourist hunting has proven to be a valuable tool to conserve wildlife and habitat and has contributed to the survival of the African elephant, white and black rhino, leopard, markhor, argali, and other species.

Trophy hunting organizations such as the Dallas Safari Club located in my State of Texas have a vested interest in promoting the welfare of wildlife and they provide countless resources that eliminate human suffering and improve livelihoods in remote areas of the world by conserving wildlife, growing local economies, and reducing poverty.

It is my hope that all Members of Congress will recognize the positive impact that conservation and hunting organizations have on the preservation of species, and that Federal partnership with these groups leverages significant private sector contribution to global wildlife conservation.

CIVILIAN RESERVE

Mr. HAGEL. Mr. President, the Senate Foreign Relations Committee has been pursuing for a number of years the establishment in the State Department of a civilian reserve to work on postconflict reconstruction. Our first meeting on this issue was in December 2003. Its need has become increasingly apparent as time has passed, and it is now urgent that we adopt the legislation authorizing the civilian reserve and providing the Department the funding and authorities it needs to get the job done.

Senator LUGAR has provided leadership in both the committee and in working with the executive branch on this issue, and Senator BIDEN and I have worked closely with him in developing the concept and pursuing its implementation. In April 2007, Senator LUGAR, joined by Senator BIDEN and myself, introduced S. 613, the Reconstruction and Stabilization Act of 2007. Senators WARNER, COLLINS, and DURBIN are also cosponsors of S. 613. We demonstrated that the legislation has overwhelming support in this body when it passed by unanimous consent in the 109th Congress. It should now be taken up again, passed in the 110th Congress, and sent to our House colleagues for their immediate consideration.

Mr. President, I ask unanimous consent to have an op-ed by Senator LUGAR and Secretary of State Condoleezza Rice that appeared in the December 17 Washington Post titled ''A Civilian Partner for our Troops'' printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Dec. 17, 2007]

(By Richard G. Lugar and Condoleezza Rice)

A CIVILIAN PARTNER FOR OUR TROOPS

WHY THE U.S. NEEDS A RECONSTRUCTION RESERVE

It is unusual in Washington when an idea is overwhelmingly supported by the president, a bipartisan majority of the Senate Foreign Relations Committee, the State Department, and both the civilian and military leadership of the Pentagon. But that is the case with the proposed Civilian Reserve Corps, a volunteer cadre of civilian experts who can work with our military to perform the urgent jobs of post-conflict stabilization and reconstruction.

Creating such an institution is essential for our national security, and the Senate should authorize the creation of the corps. Over the past decade and a half, the United States has learned that some of the greatest threats to our national security emerge not only from the armies and arsenals of hostile nations but also from the brittle institutions and failing economies of weak and poorly governed states.

We have learned that one of the central tasks of U.S. foreign policy for the foreseeable future will be to support responsible leaders and citizens in the developing world who are working to build effective, peaceful states and free, prosperous societies.

Responding to these challenges is a job for civilians—those who have the expertise and the experience in the rule of law, governance, agriculture, police training, economics and finance, and other critical areas. The

State Department and the U.S. Agency for International Development are working heroically to meet this need.

But the truth is, no diplomatic service in the world has within its ranks all the experts or expertise needed for this kind of work. As a result, from Somalia and Haiti to Bosnia and Kosovo, and now to Afghanistan and Iraq, our government has increasingly depended on our men and women in uniform to perform civilian responsibilities.

The military has filled this void admirably, but it is a task that others can and should take up. The primary responsibility for post-conflict stabilization and reconstruction should not fall to our fighting men and women but to volunteer, civilian experts.

That is why President Bush called for the establishment of a volunteer Civilian Reserve Corps in his 2007 State of the Union address. ''Such a corps would function much like our military reserve,'' he said. ''It would ease the burden of the armed forces by allowing us to hire civilians with critical skills to serve on missions abroad when America needs them.'' Both the State Department and the Pentagon support this initiative.

The Senate has likewise recognized the need for a stand-alone rebuilding capacity, and last year unanimously passed legislation to create a Reconstruction and Stabilization corps within the State Department. Legislation before the Senate would take further steps to establish the operational elements necessary for this work. The bill has three parts:

First, it calls for a 250-person active-duty corps of Foreign Service professionals from State and USAID, trained with the military and ready to deploy to conflict zones.

Second, it would establish a roster of 2,000 other federal volunteers with language and technical skills to stand by as a ready reserve.

Third, it would create the Civilian Reserve Corps the president called for, a group of 500 Americans from around the country with expertise in such areas as engineering, medicine and policing, to be tapped for specific deployments. The corps could be deployed globally wherever America's interests lie, to help nations emerging from civil war, for instance, or to mitigate circumstances in failed states that endanger our security.

If Congress acts soon, the administration may be able to deploy the reconstruction corps in Iraq and Afghanistan. But future conflicts are equally important. If we are to win the war on terrorism, we cannot allow states to crumble or remain incapable of governing.

We have seen how terrorists can exploit countries afflicted by lawlessness and desperate circumstances. The United States must have the right non-military structures, personnel and resources in place when an emergency occurs. A delay in our response can mean the difference between success and failure.

Congress has already appropriated $50 million for initial funding, and an authorization to expend these funds is required. The bill is widely supported on both sides of the aisle and could be adopted quickly.

Yet this legislation is being blocked on the faulty premise that the task can be accomplished with existing personnel and organization. In our view, that does not square with either recent experience or the judgment of our generals and commander in chief.

It would be penny-wise but pound-foolish to continue to overburden our military with reconstruction duties. We urge Congress to stand up for our troops by giving them the civilian help they need.

HONORING SENATOR TRENT LOTT

Mr. CONRAD. Mr. President, I wish to take a few moments this morning to pay tribute to our colleague from Mississippi, Senator TRENT LOTT.

Senator LOTT has been at the center of every major policy debate in the Congress for more than three decades.

Senator LOTT was a fierce and effective advocate for limited government. No one who has been involved in debating budget, tax, or health policy with Senator LOTT—as I frequently did on the Finance Committee—can question his commitment to conservative principles of government.

But what made Senator LOTT effective was that he understood that others had different views, and he understood the importance and art of compromise. He was driven to produce results, and he was unrelenting in his efforts to build coalitions to pass legislation and make things better for the American people. He recognized that, in the Senate, compromise is necessary to get things done. As majority leader, he was able to find policies that could hold his caucus together and at the same time win support from the Clinton White House and moderate Democrats.

In more recent years, he has played a key behind-the-scenes role in bridging differences between the parties. No one was better at counting votes and knowing the limits of his negotiating flexibility. When TRENT LOTT told you he could produce the votes for a proffered compromise, he delivered. You could count on it.

Perhaps most importantly, Senator LOTT had an uncanny ability to persuade and cajole people to get a deal. He has a great sense of humor and a seemingly unparalleled ability to develop friendships and relationships with members of Congress on both sides of the aisle and both ends of the Capitol. He always knows who the key players are, and what will bring them to the table. These skills have produced a great record of accomplishments for Mississippi and the Nation.

Personally, I will miss his quick wit, his insights, and his friendship. As Senator LOTT prepares to leave the Senate, I wish him and his wife Tricia all the best.

Mr. COBURN. Mr. President, Senator LOTT is true gentleman: agreeable, good-humored and kind in nature. When I think of TRENT LOTT, the words consensus and congeniality come to mind. These words come to mind because TRENT has become one of the greatest mediators this body has ever seen, his ability to bring all parties on an issue to the table and when the negotiations are done, each person leaves with a smile on their face. Senator LOTT's humor and affable personality made working with him a pleasure, even when a compromise could not be found and the time for negotiating was over, nobody would leave the table feeling alienated, or hurt they left with TRENT still a friend and eager to work on the next solution.

TRENT LOTT's 34 years of service to his country as a Member of Congress will forever be remembered in chapters of our Nation's history and by his constituents of Mississippi. But the one who deserves just as much thanks and gratitude is his college sweetheart and wife Tricia. While TRENT has been dedicated to his job and country for the past 34 years, he has been devoted to his family.

Senator LOTT's congeniality could be attributed to his humble beginnings, southern upbringing, or a number of things, but no matter the reason he still remains a humble man with many friends and a man who is truly kind to others. As I have grown to know him through our work here in the Senate, I have seen that his kindness stretches beyond the walls of his duties on this floor and to all who encounter him. TRENT always has a smile on his face and extends pleasantries to everyone he passes. Here in Washington, it is easy for one to be consumed by self-importance and it is easy to forget to treat others as we wish to be treated, but he never did. While in the lobby of another office, Senator LOTT will have a candid conversation with the much overlooked staff manning the front desk or anyone in his path—he will go out of his way to make sure everyone is greeted with warm hello.

I have agreed with Senator LOTT on many issues, and I have disagreed with him on many as well, but in each scenario we always ended with a handshake and a good laugh. This institution is losing a man who could bring people together and allow bitter enemies to lay down their swords.

This is a man who will be missed by many and I wish Senator LOTT the best of luck as he retires from his years of political service.

Mr. CORKER. Mr. President, I rise today to pay tribute to a distinguished colleague from the great State of Mississippi, Senator TRENT LOTT.

As a reformer, a defender and a leader, TRENT LOTT leaves behind a legacy in the U.S. Senate, the fruits of which we will reap for years to come. In 1996, TRENT joined with colleagues to enact an historic welfare reform bill. He pushed for reform again when he supported President Bush's tax cut package early on in the administration. TRENT has never been afraid to step forward in faith toward what he knows is right.

A champion for a strong national defense, TRENT supported the President's military action in Iraq as well as increased defense spending. As a defender himself, TRENT understands the importance of a strong military and the value of rewarding those who valiantly serve this country. In 1998, he urged Congress to raise the pay for our military men and women, an act that hadn't occurred in a decade.

As the first man to serve as the whip in both the House and the Senate, TRENT could not have accomplished

any of the aforementioned achievements and many others without his innate ability to lead. Leadership is not easy. The weight of good leadership is often a difficult load to bear, but TRENT LOTT upheld his roles as senator, majority leader and whip with an admirable level of dignity and integrity throughout his tenure.

As a new Senator, I have been touched by TRENT's candor, patience, unique charm, and by observing the tremendous relationship he has with his wife Tricia. Professionally, I have benefited greatly from his knowledge and experience about how to effectively make a difference in the U.S. Senate. He is a gifted negotiator, and his strong leadership will be greatly missed. For more than three decades, Senator LOTT has been a great public servant to the people of Mississippi in Congress. I extend my best wishes to TRENT and Tricia as they begin the next phase of their lives together.

● Mr. DODD. Mr. President, I rise to wish farewell to an honored colleague and a good friend: Senator TRENT LOTT. TRENT served in Congress for 34 years, and has represented the State of Mississippi in the Senate for 18; during that time, he distinguished himself as both a dedicated and effective party leader, and a symbol of bipartisan compromise. Few Senators play both roles so well.

Those who know TRENT often describe his personal charisma and his natural leadership abilities. Those abilities have been on display for decades, manifesting themselves as early as his college days at Ole Miss, where TRENT was a fraternity president, a cheerleader, and a well-known presence on campus. TRENT brought his budding political skills to Washington, where he served as a staffer on Capitol Hill before he was elected to Congress himself, in the first of a long series of wide-margin victories.

From 1973 to 1988, TRENT represented Mississippi's conservative 5th District, serving on the House Judiciary Committee during the Watergate scandal, as well as in the Republican leadership. As Republican whip, he helped build broad coalitions to pass important domestic and national security legislation.

In 1988, TRENT was elected to the Senate by eight percentage points over his opponent and never again faced a close race, winning reelection overwhelmingly in 1994, 2000, and 2006. His skill at negotiation made him a Senate natural, and his party entrusted him with its highest leadership responsibilities: majority whip in 1995; majority leader in 1996; and, in a widely remarked-upon comeback, whip again just last year.

Newt Gingrich called TRENT ''the smartest legislative politician I've ever met.'' And though I often disagreed on the issues with TRENT, not to mention Newt, I just as often admired his acumen. I couldn't begin to list the important legislation shepherded through this body by the Senator from Mississippi: education reform, defense spending, trade legislation, the ratification of NATO expansion, the creation of the Department of Homeland Security, and much more. But even as he worked on matters of national and international import, he always had time for the people of Mississippi: he helped expand his state's highway system, brought research funding to its universities, and dedicated himself to Mississippi's economic recovery in the wake of Hurricane Katrina. Indeed, the challenged posed by that destructive storm convinced TRENT to put off retirement until this year; and I am sure that the people of his state are grateful for the time he could lend to their recovery efforts.

In his memoirs, TRENT compared leading the Senate to ''herding cats.'' But today, at least, the members of this most difficult body have found some unanimity: We are united in our affection for TRENT LOTT and in our sadness at his departure. We will miss his legislative talent, his rich baritone, his taste in seersucker suits, and his fine head of hair. But we trust that he and his dear wife Tricia have many happy years ahead, and we wish them all the best.●

EXPLANATORY STATEMENT TO ACCOMPANY H.R. 2664

Ms. CANTWELL. Mr. President, the explanatory statement to accompany H.R. 2764, which includes the Omnibus Appropriations Act for fiscal year 2008, inadvertently omitted the following items for which I had made a request to the Agriculture, Rural Development, Food and Drug Administration and Related Agencies Subcommittee and for which I had submitted the appropriate letter of pecuniary interest. Those items are: under the Cooperative State Research, Education, and Extension Service Special Research Grants account, the Pacific Northwest Small Fruit Research Center for Idaho, Oregon and Washington, operated in cooperation with Washington State University, which was awarded $329,000; under the Agriculture Research Service Salaries & Expenses account, the Potato Research Enhancement Project in Prosser, WA, co-located with the Irrigated Agriculture Research and Extension Center of Washington State University, which was awarded $288,000 and under the Animal and Plant Health Inspection Service account, the Washington Clean Plant Network which was awarded $225,000. All three of these projects are essential to the ongoing development of my home state's vital agriculture industry. I thank Chairman KOHL and Ranking Member BENNETT for their work to correct the record with respect to these three projects.

Mr. KOHL. I thank the Senator from Washington. I have reviewed her requests to our subcommittee and she is correct. The record should reflect her requests.

Mr. BENNETT. I concur with Senator KOHL, the subcommittee chairman, in this action.

TRADE ADJUSTMENT ASSISTANCE

Mr. BAUCUS. Mr. President, today, we face a major setback to the effort to advance American exports and freer international trade. Some on the other side of the aisle are threatening to kill trade adjustment assistance, or TAA.

Trade adjustment assistance provides training, health, and income benefits to trade-displaced workers. It has been integral to America's trade policy since 1962. That is when President Kennedy first created the program.

TAA has helped America's workers to improve their competitiveness. It has helped workers to retrain and retool. And it has provided Americans the security of knowing that the government will help them if trade causes a displacement.

Trade adjustment assistance has been vital to my home State of Montana. Since the last TAA reauthorization in 2002, more than 1,500 Montanans have participated in the TAA program. It has helped workers especially in the lumber industry to retrain and re-enter the workforce.

In May, one particular Montanan, Jerry Ann Ross of Eureka, testified about trade adjustment assistance before the Senate Finance Committee. Jerry's story is like that of many Montanans who have been laid off from American lumber mills.

Jerry worked at a lumber mill for 13 years. But then in 2005, she lost her job. That is when she became eligible for trade adjustment assistance. With TAA's help, Jerry entered a training program at Flathead Valley Community College. She expects to graduate this month.

With TAA's help, Jerry has updated her skills. She has made herself more competitive in the workforce as a construction superintendent and an accountant. Jerry's is one of many TAA success stories around the country.

At the Finance Committee hearing, we also learned that the current trade adjustment assistance is not perfect. It needs to be updated. We need to improve it to reflect today's globalized economy.

That is why in July, along with Senator OLYMPIA SNOWE, I introduced the Trade and Globalization Adjustment Assistance Act. Our bill would correct the flaws of today's program.

Our bill would extend TAA benefits to service workers. Service workers account for four out of five jobs in our economy. Our bill would extend TAA benefits to workers whose companies outsource to China, India, and other countries with which America does not have a free-trade agreement. Our bill would increase training funds for States. It would make sure that States have enough money to retrain workers. And our bill would increase the portion of the health care tax credit that the

Government provides to ensure that trade-displaced workers have access to health care coverage while they are retraining.

The House passed similar legislation in November. But the Senate has not yet completed the job. That is why a 3-month extension of trade adjustment assistance is critical. It would keep the current program going. It would provide time for Congress to complete its work on reauthorizing the program.

Last week, the House passed a 3-month extension of the TAA program. The House bill is fully offset. It is noncontroversial. That bill should have passed easily in the Senate. But instead, some on the other side of the aisle have chosen to hold it up. Their dispute is over an unrelated issue. As a consequence, some on the other side of the aisle are close to allowing trade adjustment assistance to expire.

TAA expiration would send a horrible message to America's workers, especially those who depend on trade adjustment assistance. TAA expiration would also send a terrible message about the 2008 trade agenda. If the Senate cannot pass a 3-month extension of trade adjustment assistance, I am not sure what the Congress can do on trade next year.

Reauthorization and modernization of trade adjustment assistance is my No. 1 trade priority for 2008. It is the right thing to do. American workers deserve no less.

Unless Congress passes a robust TAA bill next year, I don't see how we can move pending trade agreements. trade adjustment assistance has to come first.

So, Mr. President, I call on my colleagues on the other side of the aisle who are holding up this modest extension of trade adjustment to think again. I call on them to allow this useful program to continue, and I call on them to step back from what could be a major setback to American exports and freer international trade.

CONSUMER PRODUCT SAFETY

Mr. PRYOR. Mr. President, I wish to speak on an issue that is extremely important to families all across the country—consumer product safety. I have spent the past year working with several of my colleagues to reform and reinvigorate the agency charged with protecting consumers from unsafe products, the Consumer Product Safety Commission, CPSC. These efforts have resulted in good progress. We have restored the Commission's ability to conduct business without a quorum, we have provided historic increases in CPSC's funding, and we have passed pool safety legislation to protect children from drain entrapment.

Earlier this fall, I introduced legislation, S. 2045, the Consumer Product Safety Commission Reform Act of 2007, to ensure the CPSC has the authority and tools they need to protect families from dangerous imported products. We have all seen enough evidence in the press and on our retailers' shelves to know that reform is needed. Senators INOUYE, DURBIN, KLOBUCHAR, BILL NELSON, BROWN, SCHUMER, MENENDEZ, CASEY, and HARKIN have all joined me in this historic effort, and their contributions to the bill have been enormous. The Senate Commerce Committee reported S. 2045 in October by voice vote. Since that time, we have been working in a bipartisan fashion to move our legislation out of the Senate and to provide these protections for the American public.

As many of you are aware, the House of Representatives is scheduled to consider their version of CPSC reform today. I applaud the House for getting involved in this very important issue and was pleased to see that many of the ideas we developed in S. 2045 were incorporated into the House bill. I believe this effort is a very important first step to reauthorize this agency and provide it with some of the tools necessary to work more diligently on behalf of the American consumer. This is a goal that I share with all cosponsors of my bill, many of my colleagues in the Senate, and my counterparts in the House. While the House bill is a good step, I believe S. 2045 contains many additional reforms critical to improving our consumer product safety laws. I also believe the Senate now stands poised to build upon the actions of the House and provide even greater assurances to the American public.

Though I would have preferred to accomplish this task this year—and we have worked very hard to make this a reality—it seems the timing of the rest of the week simply makes this task nearly impossible. I would say to my colleagues in the Senate that we are very close to achieving bipartisan compromise to allow this bill to go forward early next year. I have expressed to the majority leader my desire to continue to move forward with S. 2045, and I hope to secure time for floor consideration at the earliest possible time when Congress returns in January. Consumer product safety is too important to the American people to not give them our very best effort, and I believe the Senate needs time to consider this legislation on the Senate floor.

I would like to take a moment to highlight some areas of concern that I have with the House legislation where the Senate legislation provides greater protection, areas that I hope to improve upon when Congress returns next year. To begin, S. 2045 provides greater reauthorization levels for a longer length of time than H.R. 4040. While the House seeks to reauthorize the CPSC for three years, S. 2045 reauthorizes the CPSC for 7 years. S. 2045 provides over $526 million more in authorized funding than H.R. 4040. Our legislation takes a long term approach to reauthorize the agency, which I believe brings stability to the agency in addition to their enforcement efforts. The last time the CPSC was reauthorized was in 1990 for only a 2-year period. During the 17 years between the last authorization and now, the CPSC has withered on the vine, a victim of underfunding and understaffing. I believe the systemic problems that have surfaced over these 17 years demonstrate the need for looking forward to the future as we debate reauthorization.

The Senate bill also gives greater authority to State attorneys general to assist the CPSC in their consumer product enforcement efforts. While H.R. 4040 only provides State attorneys general with a very limited role in protecting consumers, S. 2045 ensures that these officials can act as real cops on the beat, looking out for consumers and restoring confidence in the marketplace by enforcing the provisions of the entire Consumer Product Safety Act, not limited sections.

S. 2045 also furthers the mission of the CPSC by placing more information about dangerous products in the hands of families when the dangers become known instead of allowing manufacturers to bog down the disclosure of information through lengthy court battles. S. 2045 will allow parents to make educated and cautious decisions about the products they are placing in their homes. While the House bill only seeks to clarify the existing statute in this respect, the Senate bill can actually place real and timely information in the hands of consumers. I believe such a result can only enhance the security and well-being of our fellow Americans.

One very important difference between the House and Senate version of this legislation is the standards set for testing children's toys. H.R. 4040 asks the CPSC to decide if current voluntary standards are feasible for manufacturers' testing procedures and whether they should be adopted. It is very obvious to me, as well as millions of moms, dads, and grandparents around the country that testing requirements must be elevated. S. 2045 would make these voluntary standards mandatory for testing and safety.

Furthermore, S. 2045 adds real teeth to the enforcement capabilities of the CPSC. Though I applaud the House for increasing civil penalties to which a violator may be subject to $10 million, I do not believe this level is sufficient to deter bad actors. Placing dangerous products in the hands of American consumers must not be the cost of doing business. S. 2045 increases the cap in civil penalties to $100 million and strengthens criminal penalties for those aggravated violators that seemingly show a disregard to the health and safety of consumers and the laws enacted by this body. H.R. 4040 does not remove the requirement that the CPSC notify violators of noncompliance prior to seeking criminal penalties. This may seem minor, but this provision of the Consumer Product Safety Act has hamstrung the CPSC's ability to pursue egregious violators to the point

where only one such violator has been pursued. Even the President's Import Safety Working Group has recommended this change.

Last, S. 2045 provides important protections for employees who stand up for public safety by blowing the whistle on unsafe products or practices. These whistleblower protections are extremely important to catching unsafe products before they enter the stream of commerce. Employees are often on the front lines of consumer product safety, and I believe they deserve protection from retribution if they report activities they believe to be in violation of the law. H.R. 4040 does not provide whistleblower protections.

There are many other areas I could highlight where S. 2045 can provide more meaningful reform than H.R. 4040, but I believe these to be some of the most important. I would like my colleagues to know of my commitment for this body to consider and pass meaningful consumer product safety reform next year. I will continue to work tirelessly on this legislation over the holiday recess, and I will continue to work with my colleagues across the aisle to pass bipartisan legislation. I thank them for their hard work during this process and am encouraged with the progress we have made in just the past few days.

Finally, I would like to thank the cosponsors of this legislation for their leadership and persistence on consumer product safety. This has certainly been a team effort, and I look forward to continuing to work with them to resolve this matter when we return.

FEDERAL EXECUTIVE BOARDS

Mr. AKAKA. Mr. President, I wish to recognize the accomplishments and good work of the Federal Executive Boards, FEBs, across the country. FEBs bring together Federal agencies outside of the Washington, DC metropolitan area to better serve the community.

Federal Executive Boards were established in 10 major regions across the country by President John Kennedy in 1961 as a way for Federal agencies outside of Washington to communicate with each other and address local issues affecting the Federal employee community. Since then, they have grown to include 28 metropolitan areas and serve hundreds of thousands of Federal employees.

The boards are made up of senior officials from each Federal agency in a given geographic region. They are quasi-agencies that receive voluntary funding from local Federal agencies in the region. They operate with a lean structure of one or two staff members who create partnerships between the Federal, State, and local governments to achieve common goals. FEBs also offer training workshops, coordinate preparedness exercises, and disseminate information on office closures.

I am very proud to have a strong and active FEB in Honolulu that serves the Federal agencies in the Pacific.

To this extent, earlier this fall, I held a hearing on the role FEBs can play in preparing Federal communities for a pandemic influenza outbreak. Many public health experts believe that we are overdue for a pandemic outbreak, and the question is not a matter of if, but when. In this effort, I asked the Government Accountability Office to evaluate the work of FEBs in preparing their constituency for a pandemic outbreak. What I found was a lot of dedicated individuals building partnerships and developing procedures to prepare for a public health, natural, or man-made emergency. They are doing important work, but they are operating without a lot of resources.

Because of their natural role in communicating with and coordinating Federal agencies, emergency preparedness and response has become a central component to the mission and activities of FEBs. For example, the Honolulu-Pacific FEB, which serves my home State of Hawaii, is a resource for emergency response plans, pandemic influenza preparedness, and continuity of operations plans.

Similarly, the Minnesota Federal Executive Board has taken to heart the need for better coordination with State, local, and private partners in the event of a pandemic or other emergency, and it has organized a number of emergency training exercises that bring together these partners.

Unfortunately, not all FEBs have the resources or support to be so active. At the hearing earlier this fall, the representatives from the FEBs testified to the instability of their funding and the difficulty in planning events without a known budget. The Executive Directors make do with what they are given, but often that is not much.

The Office of Personnel Management oversees the FEBs and has been working with the Federal Emergency Management Agency to develop a strategic plan that would address funding, performance standards, and provide guidance to FEBs on their role in the event of an emergency. OPM is hoping to produce the plan early next year, and I anxiously await its release. The more support we can provide them, the more effective our federal agencies will be.

I would like to commend the work being done by FEBs, especially the Honolulu-Pacific FEB, and I will continue to support their efforts to build a strong Federal community.

ABSENTEE VOTING

Mr. BAYH. Mr. President, I wish to speak about the importance of counting the votes of military personnel and American citizens living abroad. These votes—defined as Uniformed and Overseas Citizens Absentee Voting Act votes, UOCAVA—are consistently neglected.

According to an Elections Assistance Commission, EAC, report issued in September, less than 17 percent of the estimated 6 million potentially eligible overseas voters sought to participate in the 2006 elections. This concerns me greatly. Further, of the 992,034 requested overseas ballots in 2006, only 333,179 were actually counted—leaving potentially more than 66 percent of overseas voters that wanted to vote in 2006 disenfranchised.

In June, the GAO released a report that urged the EAC, and other Federal agencies, to better serve our UOCAVA voters. I believe that the EAC has an opportunity to rectify this situation now.

The fiscal year 2008 Omnibus appropriations bill includes $115 million that will be distributed to the States so that they can proceed to implement the Help American Vote Act. All State and local elections officials are aware of the difficulties receiving and counting ballots from overseas military personnel and citizens living abroad. The Department of Defense, through the Federal Voting Assistance Program, continues to struggle with this problem.

The EAC report recommends that states make a great effort to ensure that obstacles to voting experienced by members of the service members and citizens living abroad—including voter registration, ballot receipt, and ballot return—should be reduced, minimized, or eliminated. To this end, several States intend to use HAVA funds to implement plans that will allow them to better serve these severely disenfranchised voters. For these reasons, I urge the EAC to clearly notify interested States that HAVA funds are available to facilitate the voting process for UOCAVA voters. I further urge the EAC to distribute 2008 HAVA funding to those States as soon as possible, so that UOCAVA voters do not remain disenfranchised for the 2008 elections.

TIM JOHNSON INPATIENT REHABILITATION PRESERVATION ACT

Mr. NELSON of Nebraska. Mr. President, I rise today to honor a dear friend and fellow Midwesterner who is close to each of us, South Dakota Senator TIM JOHNSON. After suffering a rare brain hemorrhage last year, Senator JOHNSON had a tall mountain to climb in his recovery. He worked hard and followed a rigorous rehabilitation regimen. The results are obvious. He has had an outstanding recovery—due in large part to his intense determination to get better, the support of his family and friends, and the quality rehabilitation care that he received—and continues to receive. Senator JOHNSON was able to return to the Senate earlier this year. It is a great honor to serve with Senator JOHNSON, and we are all grateful to have him back.

As many know, we recognized Senator JOHNSON's outstanding recovery by renaming S. 543, legislation aimed at preserving access to rehabilitation hospitals the ''Tim Johnson Inpatient

Rehabilitation Preservation Act of 2007.'' This legislation aimed to block implementation of a bureaucratic rule change that severely limits seniors' access to rehabilitation hospitals. Senator JOHNSON's recovery through rehabilitation treatment is an inspiration to many who have suffered from similar conditions and other brain injuries. The care that he received from his team at the National Rehabilitation Hospital was outstanding and their service was critical to his return to the Senate. I believe that it is crucial that we preserve access to similar rehabilitative care for many of America's senior citizens.

Four years ago, the Centers for Medicare & Medicaid Services promulgated a new rule that would severely limit the types of rehabilitation treatments available to Medicare patients. The rule known as the ''75 percent rule'' would require rehab hospitals to ensure a certain percentage of patients fall into one of 13 specific diagnoses. That percentage was set to increase to 75 percent—forcing rehab hospitals to turn away patients and limit rehab services in their community. I know firsthand how harmful this can be, as my own mother faced inadequate care before finally receiving the rehabilitation services she desperately needed.

The 75 percent rule was set to close the doors of rehabilitation hospitals and push seniors away from the care they desperately needed. As many of you know, I have been working with a number of my colleagues on an inpatient rehabilitation Medicare fix for the last several Congresses.

Yesterday, the Senate passed the Medicare, Medicaid, and SCHIP Extension Act of 2007, which included our provision to freeze the 75 percent rule compliance threshold permanently at 60 percent, ensuring rehabilitation hospitals have the flexibility to serve a variety of patients who desperately need quality rehabilitation treatment to restore their physical function and return home to their families and daily lives.

Without our Nation's rehabilitation capacity, other Americans may not have access to the same kind of care that brought my close friend back to the Senate.

I want to offer special thanks to Senator JOHNSON for lending his name to our efforts and putting a familiar face on the importance of rehabilitation care. I also want to thank Senators BAUCUS and GRASSLEY, chairman and ranking member of the Finance Committee, as well as Senators BUNNING, STABENOW, SNOWE, KERRY, SCHUMER, and each of the 60 cosponsors of the Tim Johnson Inpatient Rehabilitation Preservation Act of 2007. Their support was critical in pushing for a permanent fix to the 75 percent rule and provided those Americans who need rehabilitation treatment with a gift this holiday season—access to quality treatment and the hope for recovery.

PREVENTION THROUGH AFFORDABLE ACCESS ACT

Mr. KENNEDY. Mr. President, since January, safety net clinics that provide basic health care services to women have been in a financial crisis. This happened because a provision in the Deficit Reduction Act of 2005 has inadvertently prohibited drug companies from providing the deep discounts to them on contraceptives. All year, hundreds of family planning clinics, university health centers and other safety net clinics have been unable to provide affordable contraception to their low-income constituency. Prices have skyrocketed in some instances from $5 a pack to $50 a pack. Already some colleges, including those in my home State of Massachusetts, have had to stop offering contraceptives. This crisis affects an estimated 3 million college women, and hundreds of thousands of low-income women who are finding birth control priced out of reach.

The Prevention Through Affordable Access Act is a no-cost, technical fix that will restore nominal prices to these entities, and in turn ensure that university students and low-income women once again have access to affordable birth control. It will not cost the Federal Government a dime—but it will be invaluable to women's health.

Thirty Senators have demonstrated their support for this fix S. 2347. Congress must act now to ensure that this problem is fixed this year and a continuing crisis is averted. Women have waited long enough. I urge passage of this important bill.

COURT SECURITY IMPROVEMENT ACT

Mr. LEAHY. Mr. President, earlier this week, the Senate passed a compromise version of the Court Security Improvement Act of 2007. It took several months to negotiate the minor differences between the House and the Senate bills, simply because we were not allowed to go to conference. Then we had to work for over a month to remove a hold placed on the legislation. When it finally passed the Senate on Monday night, we expected that the House of Representatives would pass it without delay. Unfortunately, one of the compromise provisions triggered a problem that would have prevented passage in the House.

We corrected that problem late last night with an enrolling resolution that strikes the provision of section 502 that caused a budgetary problem. Fortunately, we were able to maintain the important provision of life insurance benefits for our dedicated magistrate judges.

I appreciate the work of Senators SPECTER and KYL to make sure that we were able to pass this resolution late last night and I look forward to the House of Representatives passing both the resolution and the Court Security Improvement Act without further delay.

I urge the President to sign this vital legislation, introduced 11 months ago, without delay so that we can protect the dedicated judges, and other personnel who serve as part of our Nation's justice system. The security of our Federal judges and our courthouses around the Nation is at stake.

THE TREE ACT

Mrs. LINCOLN. Mr. President, I would like to engage in a colloquy with the leadership of the Senate Finance Committee regarding the timber tax provisions that are commonly referred to as the ''TREE Act.'' These provisions were included in the tax title of the Energy bill, which, regrettably, was deleted from the bill that the Senate passed last week. On a brighter note, they have been included in the tax title of the farm bill, which passed the Senate last week.

As a matter of tax policy, enactment of the TREE Act is extremely important. It reforms the rules that apply to both corporations and individuals who own timber, thereby improving the international competitiveness of the U.S. timber industry.

Enactment of the TREE Act also is time-sensitive. timber companies that continue to be organized as corporations are under intensifying pressure to reorganize. In that case, a corporation that owns substantial manufacturing facilities would be forced to sell some of those facilities, and to make other structural changes, in order to comply with the relevant tax rules that it would newly become subject to. This would be likely to cause disruptions in some of the affected communities, and also would make it harder for U.S. companies to compete internationally. To forestall these adverse consequences, Congress must act quickly.

Accordingly, I am pleased that the Senate has enacted the TREE Act as part of the farm bill, and I believe that it is critical for Congress to enact a new farm bill, including the TREE Act, early next year. I would like to ask the chairman and ranking members of the Finance Committee whether they share this view.

Mr. SMITH. Mr. President, I join my colleague, the senior Senator from Arkansas, in supporting the need to enact the timber tax provisions—also known as the Timber Revitalization and Economic Enhancement Act, TREE Act—in a timely manner.

This tax policy is as important to Oregon as it is to other timber-growing regions of the United States. The forest products industry is a cornerstone of Oregon's economy and culture. Oregon is home to more than 9.5 million acres of privately owned forests and more than 75,000 people earn their living working for the forest products industry. In fact, Oregon is the No. 1 producer of lumber in the United States.

While disappointed that the TREE Act was a part of the tax title removed

from the version of the energy bill passed by the Senate, I am pleased the Senate was able to include the TREE Act provisions in the farm bill passed last week.

It is crucial for Congress to enact early next year the TREE Act. I will work with my colleagues to see the TREE Act enacted in early 2008. It matters to all who grow trees—companies of all sizes and small tree farmers as well.

Mr. BAUCUS. I appreciate Senators LINCOLN's and SMITH's leadership on this issue and I share their view. Although I had concerns about a somewhat similar provision that was considered in 2006, the fact that that there is now a consensus in support of the TREE Act in the U.S. forest products industry, and that modifications have been made, have led me to support the TREE Act, and to work to include it in both the tax title of the Energy bill and the tax title of the farm bill. I understand the time constraints, and pledge to work with the Senator from Arkansas and the Senator from Oregon, other interested Senators, and with the leaders of the House Ways and Means Committee to see that the TREE Act is enacted as part of the farm bill or other appropriate vehicle early in 2008.

Mr. GRASSLEY. I agree. I have supported the enactment of the TREE Act for several years, and will work to see it enacted early in 2008.

RENEWING THE ASSAULT WEAPONS BAN

Mr. LEVIN. Mr. President, the past month has been marked by several high profile, tragic shootings. Across the country, Americans have been attacked in places once thought safe, by people wielding deadly firearms. There can be little doubt that the plague of gun violence is continuing to permeate our society. At what point will we say act.

Early Sunday morning December 9, a young man entered a Christian missionary center in the Denver suburb of Arvada, carrying an assault rifle and approximately 1,000 rounds of ammunition. Shooting randomly, he gunned down two staff members in their mid-20s and wounded two others. Just over 12 hours later, the same gunman walked into a church 75 miles away in Colorado Springs and killed two sisters, 18 and 16 years-old, and wounded six others, before shooting himself.

Four days earlier, on December 5, a young man entered a busy mall in Omaha, NE, carrying an assault rifle. Spraying bullets at people at both point blank range and from the third-floor balcony, sending holiday shoppers running as dozens of shots echoed throughout the mall. Before he turned the gun on himself, the gunman had killed eight people and wounded five others, two critically.

Of course, these were only the shootings that captured national headlines. Hundreds of others fell to their deaths this past month at the hands of someone with a firearm. This month caps a year that witnessed the worst ever school shooting in the United States, when a student killed 32 classmates and staff members at Virginia Tech University. Each one of these horrific events emphasizes the need for common sense gun legislation. Together they scream out for change. As 2007 draws to a close I once again urge my colleagues to help put an end to these kind of tragedies by renewing the assault weapons ban.

''NIMROD NATION''

Mr. LEVIN. Mr. President, the Sundance Channel recently aired a documentary entitled ''Nimrod Nation.'' This eight-part series explores the world of small-town American life through the lens of the town of Watersmeet, MI, and their local high school basketball team.

Small towns have always been an important part of our country's cultural heritage. The communities and institutions that make up small towns are an essential and enduring aspect of the political, economic and social fabric of our nation. Nearly one quarter of all Americans live in rural areas, approximately the same percentage as live in central cities.

With only 1,400 residents, Watersmeet is a rural town in Michigan's Upper Peninsula. The town is surrounded by the Ottawa National Forest and the Cisco Chain of Lakes. It is located in a region with a high concentration of Nordic descendants and Native Americans. In an area with not a single movie theater, the residents turn to, among other things, pastimes such as hunting, fishing, and cheering on their local athletic teams.

Director Brett Morgen traveled to Watersmeet in 2004 to film three commercials for an ESPN promotional campaign. There he discovered the Watersmeet Nimrods basketball team. The nickname came from the Biblical king Nimrod, a mighty hunter, fisherman and outdoorsman. The commercials highlighted the team's unusual name, and they sold close to $550,000 worth of Nimrod-brand merchandise as a result of this publicity. Mr. Morgen later returned to Watersmeet to document the Nimrod's 2005–6 basketball season while creating a series about the rural town.

''Nimrod Nation'' uncovers one of the many diverse cultures we have in Michigan. The residents of Watersmeet have expressed enthusiasm about the series. It explores the making of head cheese, talks with the town's older citizens at a local cafe, and covers the community's passion for the Nimrod basketball team. These events are woven together to create a portrait of what life in the Upper Peninsula is all about.

I know my colleagues in the Senate join me in recognizing the importance of small towns to our country, as well as the congratulating residents of Watersmeet, MI, as their town is showcased in the documentary ''Nimrod Nation.''

TRIBUTE TO RICHARD A. LAUDERBAUGH

Mr. CARDIN. Mr. President, it is with sadness that I announce the death of Richard A. Lauderbaugh, a distinguished and admired former legislative counsel and counsel to the Senate Finance Committee, on December 3, 2007. Mr. Lauderbaugh was a recognized health policy expert with particular expertise in Medicare and Medicaid. He served with distinction on the staff of the Finance Committee under the chairmanship of Senator Lloyd Bentsen from 1989 until 1992. During this period, he was closely involved in the development of Medicare legislation that established a fee schedule for physician services and measures to prevent program fraud and abuse.

Mr. Lauderbaugh, a native of Pittsburgh, PA, moved to Washington in 1981 after earning his bachelor's degree from the University of Rochester, a law degree from the Columbia University School of Law, and a Ph.D. in history from Washington University in St. Louis. He was appointed associate counsel in the Office of the Legislative Counsel of the Senate, where his expertise in legislative drafting and his grasp of complex policy issues were invaluable.

Mr. Lauderbaugh also served 2 years as Washington counsel for the American Hospital Association, where he provided legal and policy advice on a variety of issues including health care reform and hospital payment policies under the Medicare and Medicaid Programs. In 1992, he joined Health Policy Alternatives, a Washington-based policy consulting firm specializing in Medicare and Medicaid policy and legislation, as a principal. In this position, he worked closely with a wide range of clients including health facility and professional associations, manufacturers, consumer advocacy groups, and private foundations. On a number of occasions, he worked with my staff in the preparation of a bill to ensure access to emergency medical services. His work on a variety of policy issues contributed to the introduction and passage of many health care bills in the House and the Senate.

Throughout his 26-year career, Mr. Lauderbaugh was widely recognized for his expertise in drafting Federal legislation, for his extensive knowledge of the history of Medicare and Medicaid, and his creative skill in designing public policies. More important, he was a gentleman who patiently helped the experienced or novice staffer or client navigate the complex world of health policy. His dedication to the highest professional standards and his loyalty to friends and family were hallmarks of his distinguished career.

Mr. President, I ask my colleagues to join me in expressing our deepest sympathy to Mr. Lauderbaugh's sister Paula Bradley and her husband William, of Albuquerque, NM. We are grateful for his service to the Senate and for his many contributions to public policy.

TRIBUTE TO ANTHONY FAUCI

Mr. LEAHY. Mr. President, today I would like to take a moment to recognize Dr. Anthony Facui, Director of the National Institutes of Allergy and Infectious Diseases, NIAID, for his numerous contributions in medical research and specifically his work on HIV/AIDS, avian flu and anthrax. Even in a city such as Washington, which is filled with driven and motivated people, Dr. Fauci is a cut above. As Director of NIAID, he has worked tirelessly to lead the fight against AIDS and has been instrumental in shaping our understanding of how this disease works. I am proud to have worked with Dr. Fauci and would like to take this opportunity to submit the following article recounting the remarkable work and career of Dr. Fauci for the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Sept. 28, 2007]

THE HONORED DOCTOR

(By Sue Anne Pressley Montes)

Routinely, his gray Toyota hybrid is parked from 6:30 a.m. until late at night outside Building 31 at the National Institutes of Health in Bethesda. Sometimes his colleagues leave notes on the windshield that say things like, ''Go home. You're making me feel guilty.''

But Anthony S. Fauci has made a career of long hours, exhaustive research and helping the public understand the health dangers stalking the planet. As director for 23 years of the National Institute of Allergy and Infectious Diseases at NIH, his milieu is the stuff that scares the daylights out of most people: bioterrorism, deadly flu epidemics, the enduring specter of AIDS.

Fauci, who is equally at home in the laboratory, at a patient's bedside, at a congressional hearing or on a Sunday morning talk show, scarcely has time to collect all the accolades that come his way. But this has been an extraordinary year. In the spring, he won the Kober Medal, one of the highest honors bestowed by the Association of American Physicians. In July, President Bush awarded him the National Medal of Science. And today, he receives one of medicine's most prestigious prizes, the $150,000 Mary Woodard Lasker public service award, as ''a world-class investigator'' who ''has spoken eloquently on behalf of medical science,'' according to the Lasker Foundation.

No one deserves the honors more, his associates agree.

''Dr. Fauci is the best of his kind,'' said former U.S. surgeon general C. Everett Koop, 90, who has often sought Fauci's medical advice and counts himself as a friend.

For someone else, this might be heady stuff. But Tony Fauci, 66, has never strayed far from his down-to-earth Brooklyn roots or his Jesuit training, with its emphasis on service and intellectual growth. Beginning his career in the lab—viewed by many as a backwater of medicine—he soon became the chief detective probing a mystery that would encircle the world. Before AIDS even had a name, he made the ''fateful decision,'' he said, to make it the focus of his research.

''It was a matter of destiny, I think, but by circumstance alone I had been trained in the very disciplines that encompassed this brand-new bizarre disease,'' he said. ''This was in my mind something that was going to be historic.''

He and his researchers would make breakthroughs in understanding how HIV, the human immunodeficiency virus, destroys the body's immune system. Years ago, he assumed a public role, calmly explaining the latest health scares on talk shows such as ''Face the Nation.'' Through four presidential administrations, he has led efforts that resulted in Congress dramatically increasing funding to fight AIDS.

Today, as Fauci helps direct the president's emergency plan for AIDS relief in Africa and elsewhere, he also is leading the fight against such infectious diseases as anthrax and tuberculosis. In his $250,000-a-year position, he oversees 1,700 employees and a $4.4 billion annual budget.

''Fauci doesn't sleep,'' said Gregory K. Folkers, his chief of staff. ''He's the hardest-working person you'll ever encounter.''

The doctor's curriculum vitae supports that assertion. The bibliography alone is 86 pages, listing 1,118 articles and papers he has written or contributed to. (An example: ''The Role of Monocyte/Macrophages and Cytokines in the Pathogenesis of HIV Infection,'' published in ''Pathobiology'' in 1992.) He has given more than 2,000 speeches, rehearsing with a stopwatch to whittle down his remarks. He has received 31 honorary doctoral degrees.

Vacations are seldom on the agenda. Often, his wife and three daughters accompany him to events. This summer, it was the International AIDS conference in Sydney. But he is seldom found sitting by the pool behind his Northwest Washington home. And retirement, he said firmly, is ''not on the radar screen.''

EXCEPTIONAL CHILD

He learned to question early.

It didn't make sense to him when the nuns at his school said that you had to go to church to get into heaven. His beloved paternal grandfather, an immigrant from Sicily, spent his Sunday mornings cooking. What about him?

''I remember going up to him one day. 'Grandpa, why don't you go to Mass?' And he said: 'Don't worry about it. For me, doing good is my Mass,' '' Fauci said.

The experience made him determined to do good through his work. He was 7.

The Faucis lived in the Bensonhurst section of Brooklyn, above the family drugstore operated by his father, Stephen, a pharmacist.

Fauci's only sibling, Denise Scorce, recalls that he was a well-rounded kid who liked to play ball but only after he did his homework.

''He was very normal in every way, but you kind of knew he was special,'' said Scorce, 69, a retired teacher who lives in Northern Virginia. ''Everything he did was perfect.''

Fauci won a full scholarship to Regis High School, a Jesuit institution in Manhattan. Later, he enrolled in another Jesuit school, the College of the Holy Cross in Worcester, Mass.

''The Jesuit training is wonderful. I don't think you can do any better than that,'' he said. ''I always quote, 'Precision of thought, economy of expression.' ''

Although he had an aptitude for science, he received his 1962 bachelor's degree in Greek/pre-med. He took the minimum number of science courses required for acceptance at Cornell University Medical College.

''I was very, very heavily influenced by the classics and philosophy, which I think had an important part in my ultimate interest in global issues and public service,'' he said. ''I was interested in broader issues.'' I always tried to look at things at 40,000 feet as well as down in the trenches.''

ENCOUNTER WITH ACT UP

One of the most dramatic episodes during Fauci's tenure at NIH occurred in 1989, when angry ACT UP demonstrators swarmed his building, demanding to be heard.

Fauci, like many top government officials, was accused of not doing enough to fight AIDS. The tactics were attention-getting: smoke bombs, staged ''die-ins,'' chalk bodies drawn on sidewalks.

''He was public enemy number one for a number of years,'' said writer and activist Larry Kramer, who led the charge. ''I called him that in print. I called him very strong, hateful things. . . . But Tony was smart enough to sit down and talk with us.''

Fauci read the leaflets the group distributed and others threw away. ''If you put it in the context of they were human beings who were afraid of dying and afraid of getting infected and forget the theater, they really did have a point,'' he said.

When police officers moved to arrest the protesters, Fauci stopped them. He invited a small group to his office to talk.

''He opened the door for us and let us in, and I called him a hero for that,'' Kramer said in a telephone interview. ''He let my people become members of his committees and boards, and he welcomed us at the table. You have to understand that he got a lot of flak for that.''

It was worth it, Fauci said. ''That was, I think, one of the better things that I've done.''

DOCTOR AS FAMILY MAN

Christine Grady still laughs when she recalls her first meeting in 1983 with the famous Dr. Fauci. An AIDS nurse who had recently joined the NIH after working in Brazil, she was summoned to interpret for a Brazilian patient who wanted to go home.

Grady was dismayed when the patient responded to Fauci's detailed instructions on aftercare by saying in Portuguese that he intended instead to go out and have a good time. She knew Fauci tolerated no nonsense.

''He said he'll do exactly as you say'' is how she translated the patient's remarks.

She thought she had been found out a couple of days later when he asked her to come by his office. Instead of firing her, as she feared, he asked her out to dinner. They were married in May 1985.

The Faucis live in a renovated 1920s home in the Wesley Heights neighborhood. Grady, 55, has a doctorate in philosophy and ethics from Georgetown, and she heads the section on human subjects research at the NIH's Department of Clinical Bioethics. Their children are also busy. Jenny, 21, is a senior at Harvard University; Megan, 18, who will attend Columbia University next fall, does community service teaching in Chicago; Allison, 15, is on the cross-country team at National Cathedral School.

''He's a goofball,'' said Jenny Fauci of her father. ''He works hard and he does his thing, but he comes home and he's singing opera in the kitchen and dancing around.''

She thinks she understands what motivates him. ''Work is not really work for him,'' she said. ''It's what he believes in.''

And so Fauci will leave for the office before dawn and return home long after sunset. It reminds him of that speech he gave this summer at the AIDS conference in Sydney. ''It was called 'Much Accomplished, Much Left to Do,' '' he said.

TRIBUTE TO SHEILA ISHAM

Mr. WHITEHOUSE. Mr. President, I wish to pay tribute to the life and work of one of our Nation's great artists, Sheila Isham, on her 80th birthday.

Sheila was born in New York City, 80 years ago today. She grew up in Cedarhurst, just outside the city, and on an 80-acre island in the St. Lawrence River in Canada, which for years lacked both electricity and running water. She graduated from Bryn Mawr College in 1950 and married Heyward Isham, an officer in the U.S. Foreign Service, and the couple moved to Berlin. There began her path to becoming an artist.

Sheila became the first foreigner to gain admission to the Berlin Art Academy in the years following World War II. There, she studied with Hans Uhlman, a student of abstract painter Kasimir Malevich, and absorbed the works of Wassily Kandinsky.

In 1955 Heyward Isham was posted to the American embassy in Moscow, and the Ishams moved to Russia, where life became very restricted. Sheila has told of having to import several years' worth of food from outside the country, of being watched and followed constantly, and of being unable to meet with other artists or to draw freely. A 2004 profile in the St. Petersburg Times reported that ''once, Isham was almost arrested by a vigilant Soviet officer who noticed that an American was drawing a building, which, according to Isham, turned out to be a center for KGB interrogations.''

But Sheila continued her work. She met George Kostakis, a prominent collector of the Russian avant-garde, including works by Malevich, Kandinsky, Tatlin, Popova, Goncharova, and Larionov, and she traveled through Georgia, St. Petersburg, Yalta, Sochi, and Tblisi to sketch and meet with local artists and writers.

After a few years back in the United States, Sheila and her family traveled to Hong Kong, where she would live and work for 5 years. She taught contemporary arts at the Chinese University, exhibited her work in China and Japan, and studied with a master of classical Chinese calligraphy. ''I chose calligraphy because it seemed to me to be abstract and perfect at the same time,'' she said.

On her return to America in 1965, Sheila began painting, exploring colors and the nexus between Eastern and Western cultures. She would later live and travel in France, Haiti, India, and finally New York, where she has made her home.

Sheila Isham's work is part of the permanent collections of some of America's most important institutions, including the Corcoran Gallery of Art, the Hirshhorn Museum, the Library of Congress, the Museum of Modern Art in New York, the Smithsonian, the National Museum for Women in the Arts, and the Philadelphia Museum of Art. She has been the subject of major one-person exhibitions at the Smithsonian, the Corcoran, and the Russian Museum, and countless gallery and traveling exhibitions, including at the Island Arts Gallery in Newport, Rhode Island.

Sheila's life has not been without periods of darkness. Susan Fisher Sterling, the chief curator of the National Museum for Women in the Arts, wrote: ''In unpredictable and often dramatic ways, Sheila Isham has been challenged by forces that threatened to overwhelm her . . . yet, despite these upheavals, her spirited work prevails.''

After a fire destroyed many works in her Washington, DC, studio, Sheila said: ''I thought that the burnt studio looked like a painting, like a myth, something you might want to take the picture of. I had to come to terms with that. I became freer in a way.''

When her daughter Sandra contracted HIV/AIDS through a blood transfusion, Sheila began work on the enormous, five-painting Victoria series, which she calls ''at once a celebration and a working through the darkest period of my life.'' She said: ''It spans all human emotions from love to terror to hope and finally triumph and joy. It is an epic poem in paint, expressed in brilliant color and strong forms.'' The series was exhibited for the first time in its entirety by the National Museum of Women in the Arts in 2005, 9 years after Sandra passed away.

Sheila Isham's work reflects the iconic melting pot of our Nation's history. Though she draws inspiration from places as diverse as postwar Berlin, Russia, China, Haiti, France, and New York City, her work remains clearly and vibrantly American. Her art, which resides all over the world, is itself an ambassador both for her creative vision and for her country. We are enriched by her talent and her acquaintance.

Alexander Borovsky, head curator of contemporary art at the Russian State Museum, wrote this:

> As an artist, Isham is marked by an incredible restlessness. Even the calm of an ''oasis'' created by her own hand . . . is only relative. She continually explores new paths and returns to the old. Few artists—including Isham, I expect—can say precisely what they are seeking. Having mastered the art of return, Sheila Isham knows to whom it is that she returns—to herself. Truly a rare gift in contemporary art.

I come to the Senate floor today to offer congratulations to Sheila on her 80th birthday. I trust this day will be an occasion for all of us to recognize her extraordinary contribution to American art, and anticipate the many achievements still to come.

TRIBUTE TO SCOTT HIGGINS

Mr. WHITEHOUSE. Mr. President, I wish to celebrate the extraordinary achievements of petty officer Scott Higgins of my State of Rhode Island, who today will be awarded the Coast Guard Commendation Medal for his efforts in the heroic rescue of the crew of the sailboat Sean Seamour II off the coast of New Jersey in May.

On May 7, Aviation Machinery Technician 2nd Class Higgins was part of a four-man Coast Guard HH–60 helicopter crew, including LCDR Nevada Smith, LT J.G. Aaron Nelson, and aviation survival technician 2nd class Drew Dazzo, deployed in response to a distress signal from the 44-foot sailing vessel Sean Seamour II. The vessel, on a recreational sailing trip from Green Coves Spring, FL, to Portugal's Azores Islands, had capsized amidst the hurricane-force winds of Subtropical Storm Andrea. The three sailors aboard were forced to evacuate to a small raft just before their ship was swallowed by the ocean.

Higgins, serving as flight mechanic, worked closely with Nelson, who piloted the helicopter, and Dazzo, the team's rescue swimmer, to execute their mission. Working quickly and expertly, Higgins lowered Dazzo over and over again into the towering waves to reach the sailboat crew. Once the first two sailors had been lifted to safety, Higgins and Nelson demonstrated what the Coast Guard's Summary of Action called ''the utmost of crew coordination, teamwork and aeronautical skill'' as they hoisted Dazzo only 30 feet above the water to position him closer to the life raft and the last survivor.

As Higgins worked to raise the final survivor from the ocean, he felt the hoist cable begin to fray with the rescue basket still 100 feet below the helicopter and the rescue swimmer still in the water. Despite suffering from exhaustion and the effects of saltwater inhalation, Dazzo waited to request an emergency pickup until he could see that the last survivor was in the aircraft.

Again demonstrating extraordinary skill and teamwork in a life-or-death situation, Higgins managed to get the rescued sailor safely aboard and immediately redeploy the compromised hoist cable to retrieve Dazzo. In the midst of an intense storm, all aboard were safely returned to shore.

Higgins and the rest of his team successfully rescued the crew of the Sean Seamour II despite a punishing storm that threatened their lives and the lives of those they were sent to help. As the Coast Guard's Summary of Action stated:

> High winds, treacherous seas and extreme off-shore distances created a situation that required intense operational risk management, exacting crew coordination, and incredible skill and courage. Without the complete competence, concentration, and professionalism of every crewmember, this operation could have had a disastrous outcome. Each crewmember was essential to the life saving rescue of three mariners.

The Coast Guard Commendation Medal recognizes meritorious service resulting in unusual and outstanding achievement. The courage, bravery, and skill demonstrated by Machinery Technician Higgins in May shows that he is more than worthy of this great honor.

I offer my congratulations to petty officer Scott Higgins and to all those whom the Coast Guard recognizes today. His achievements have brought honor both to him and to his home state of Rhode Island.

ARTICLE BY RABBI MICHAEL COHEN

Mr. LEAHY. Mr. President, I would like to bring to the attention of the Senate an article by Rabbi Michael Cohen who is director of special projects at the Arava Institute for Environmental Studies. Rabbi Cohen recently submitted the article entitled ''The Genesis of Diversity'' to the New York Times. In this article, Rabbi Cohen eloquently reminds us that environmental and biological diversity is not simply a thought or something we simply sit back and observe. Rather we are constant participants in the act of diversity and as such it is our responsibility as human beings to protect our environment. This article serves as a reminder of the importance of preserving environmental and biological diversity during this holiday season.

Mr. President, I ask unanimous consent that Rabbi Michael M. Cohen's article entitled ''The Genesis of Diversity'' be printed in the CONGRESSIONAL RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE GENESIS OF DIVERSITY

(By Rabbi Michael Cohen)

In 1968 Hanukkah and Ramadan ended on the same date. The next day was Christmas Eve. That evening, one quarter of the world's population saw, for the first time, images taken by the Apollo 8 astronauts of the earth from a lunar orbit. The earth, a beautifully colored marble ball floating across the black backdrop of the universe, also looked lonely and vulnerable. Those pictures captured the imagination of the world, triggering something in the consciousness of humanity that gave birth to the environmental movement and, two years later, the first Earth Day.

To frame that moment, a shared historic moment that would transcend all the divisions of the world, the Apollo 8 crew read from the beginning of the Bible, the first ten lines from the Book of Genesis. The opening chapters of Genesis not only include the account of the creation of the earth but over and over tell us of the importance of diversity.

All of creation is called ''good,'' reminding us of the value of the multiplicity of the world that we live in. The text also teaches us, by describing everything that is created before humans as ''good,'' that all things have intrinsic value in and of themselves beyond any value that we may place on them. Once humans are created, ''very good'' is the adjective applied by the text. An anthropocentric reading of the text would say this is because the world was created for our needs, and once we are in place we can do what we want with the world. A biocentric reading of the text says that ''very good'' only means that creation as described in the text was complete, and that we humans were the last piece of the biological puzzle.

This reading is supported by the reality that if humans were to disappear from the face of the earth all that had been created before us would go on quite well, actually better, without our presence. However, if a strata of the diversity of life that had been created before humans were to disappear, we, and all that had been created after it, would no longer exist. In a bit of Heavenly humor on Darwin's survival of the fittest, it is actually the smallest and least physically strong species, like the butterflies, bees, and amoebas, that hold the survival of the world in place. Unlike the other species of the planet, we have the power to commit biocide if we do not protect and preserve those smaller forms of life.

The importance of diversity is emphasized a few chapters later, in the story of Noah, where Noah is told to bring pairs of each species onto the ark so that after the flood they can replenish the earth. After the flood, God places a rainbow in the sky as a reminder to never again destroy the world. It is both a symbol and a metaphor: a single ray of light refracted through water, the basic source of all life, produces a prism of colors. As with the Creation story, we are again reminded that the foundation of diversity is that we all come from one source. On its most profound level, this understanding should give us all the awareness that we have a relationship with and are connected to the rest of humanity and creation.

Immediately following the story of Noah we read about the Tower of Babel. The whole account takes up only nine verses. The conventional reading is that its message is one against diversity; the babel of languages at the end of the story is understood as a punishment. The Israeli philosopher Yeshayahu Leibowitz presents a different reading of the text. For Leibowitz, Babel represents a fascist totalitarian state where the aims of the state are valued more than the individual. In such a society, diverse thought and expression is frowned upon. The text tells us that everyone ''had the same language, and the same words.''

We read in the genealogies that link the Noah and Babel stories that the ''nations were divided by their lands, each one with its own language, according to their clans, by their nations.'' Leibowitz sees the babel of languages not as a punishment but a corrective return to how things had been and were supposed to be.

That is still our challenge today. Diversity is not a liberal value; it is the way of the world. We know that the environment outside of our human lives is healthier with greater diversity, coral reefs and rain forests being prime examples. It is also true for humanity. We are better off because of the different religions, nations, cultures, and languages that comprise the human family. The Irish Potato Famine was caused because only one variety of potato was planted. Without diverse crops, the disease spread easily on a large and deadly scale.

In one of his State of the Union addresses, former President Bill Clinton said, ''This fall, at the White House, one of America's leading scientists said something we should all remember. He said all human beings, genetically, are 99.9 percent the same. So modern science affirms what ancient faith has always taught: the most important fact of life is our common humanity. Therefore, we must do more than tolerate diversity—we must honor and celebrate it.''

The opening of the Bible understands diversity not as a noun but as a verb; diversity is the basic action for life as we know it on this planet. Its importance is underscored by the fact that three accounts in its opening chapters highlight diversity as a foundation of the world we live in. Such an orientation is essential for our survival as a species.

DONNA ANTHONY: IN MEMORIAM

Mr. HARKIN. Mr. President, we have a saying in my Senate office: Once a member of the Harkin family, always a member of the Harkin family. On Monday, with the passing of Donna Anthony, a longtime staffer in my Des Moines office, we lost a very valuable and dear member of our family.

It seems like just yesterday that I was presenting Donna with a pin recognizing her 20 years of service to the people of Iowa as a Senate employee. In Donna's case, that wasn't ''service to the people of Iowa'' in the abstract; it was service to thousands of individual Iowans whose lives she touched in very real, concrete ways.

Donna was one of those people who give bleeding-heart liberals a good name. She was always on a personal mission to save the world, or at least as many people as she could.

She was constantly taking up the cause of people who are down on their luck, whether it was a senior citizen getting stiffed by Medicare, an immigrant family who desperately needed a visa, a victim of domestic violence, you name it. Her title may have been ''caseworker supervisor,'' but these were not just cases to her, they were people—and she took each one to heart. She put the passion in compassion.

I remember in Catholic school being taught that Saint Jude was the patron saint of lost causes. Well, I was blessed to know Saint Donna, the patron saint of people in dire need. Saint Jude intercedes with God. Saint Donna interceded with the Federal Government—which may be more challenging. She was constantly working her little miracles.

Donna certainly came through for me—again and again. I long ago lost track of the number of people thanking me for the work that Donna did. And her personal loyalty was just extraordinary. She was always looking out for my best interest and for ways to make me look good.

I remember when I was in Iowa Falls this past August, meeting with the economic development group. They had heard about the great work Donna had done for Marshalltown, and they wanted her to do the same for Iowa Falls.

In fact, what she did in Marshalltown was typical of Donna Anthony going the extra mile, going the extra 10 miles. She worked closely with the Marshalltown Chamber of Commerce when they started making their trips to Washington to lobby for assistance. She drove back and forth to Marshalltown for countless meetings and served as an all-round counselor and advocate for their projects. The Marshall County sheriff, Ted Kamanches—a prominent Republican—became a big supporter of mine because of the great work Donna did for his police force, including having a Federal drug task force placed in Marshalltown.

Twenty years ago, Donna started out in my Des Moines office as receptionist

and front-desk person. She kept getting calls from people on the north side of Des Moines who wanted me to do something to stop prostitution in the area. Donna went to bat for them, and that is how she got her start in community casework and making connections with local law enforcement. She had a knack for bringing people and agencies together and helping them to get things done. This was the beginning of a long and fruitful relationship not only with neighborhood groups in Des Moines but with law enforcement officials all across Iowa.

Mr. President, there is an old expression that we make a living by what we make, but we make a life by what we give. For 20 years in my office, Donna gave her all for the people of Iowa. She touched countless lives. And she made a life to be proud of.

I can offer no higher praise for Donna—or anyone else, for that matter—than that she was a good, decent, and caring human being. I valued her friendship, her counsel, and her incredibly hard work. I think I speak for all of us in the Harkin Senate family in saying that we love Donna very much, and we are deeply grateful that she was a part of our lives.

TRIBUTE TO PATRICK G. HECK

Mr. BAUCUS. Mr. President, I want to honor Mr. Patrick G. Heck, who is retiring this month following 23 years of dedicated Federal service. Pat has served the Finance Committee and all Americans extremely well during his eight years as tax counsel for the U.S. Senate Committee on Finance, and as chief tax counsel for the past 4 years.

As a college freshman, Pat began his congressional career as a file clerk for his Congressman. Throughout his distinguished public service career, Pat's tireless dedication has earned the respect of his peers, family, and community. Pat commands the respect of both Democratic and Republican staff throughout the Senate. Pat is a graduate of the Georgetown University Law Center, with an LL.M. in taxation. He received his J.D. from the University of Toledo College of Law, and is a graduate of American University, with degrees in political science and economics.

Prior to joining the Finance Committee staff, Pat served as assistant counsel on the Select Revenue Subcommittee of the House Committee on Ways and Means. While there, Pat was responsible for leading hearings on intercompany transfer pricing, Internal Revenue Service collection and enforcement. Before that, he was an attorney with the Internal Revenue Service's Office of Chief Counsel.

I know the members of the Senate Finance Committee join me in gratitude for Pat's sage advice on tax policy matters. His efforts have helped to shape the legislative agenda for tax administration and tax reform. He cares deeply about these issues and the effect they have on hard-working Americans. With his ever-meticulous style, Pat has helped me to delve into the important issue of the ''tax gap,'' energy tax incentives, tax cuts for individuals and small businesses, and taxpayer rights.

Pat also helped me develop the idea of extending the time period during which Americans could make tax-exempt contributions to help victims of the tsunami disaster in 2005. This change helped facilitate a floodgate of tax-exempt contributions for these victims.

Mr. President, I ask my colleagues to join me in thanking Pat Heck for his many years of outstanding service and in wishing him well for the future.

ADDITIONAL STATEMENTS

UNIVERSITY OF WISCONSIN–WHITEWATER FOOTBALL TEAM

● Mr. FEINGOLD. Mr. President, they often say that the third time is the charm, and now the University of Wisconsin–Whitewater knows why. After UW–Whitewater's football team came so close to winning the NCAA Division III National Football Championship 2 years in a row, this year they triumphed, winning the big game and becoming Division III's reigning champions. Their fantastic season marked the first Division III football championship in UW–Whitewater's history.

The hard work of the Warhawk football team culminated in a 31–21 victory over two-time defending champion Mount Union College in the Amos Alonzo Stagg Bowl on December 15, 2007, in Salem, VA. The Warhawks bolted to an early 17–0 lead and beat back the comeback attempt of Mount Union, which had come into the game having won 37 contests in a row.

I commend Coach Lance Liepold for his dedication and hard work throughout his rookie season as head coach. I also congratulate Justin Beaver on being named the championship game's Most Outstanding Player, and the winner of the Gagliardi Trophy as the best player in Division III.

The continuing success of University of Wisconsin–Whitewater football has made the people of Wisconsin, and alumni throughout the country, very proud.●

IN HONOR OF G. RAYMOND ''RAY'' EMPSON

● Mr. LIEBERMAN. Mr. President, it is with great respect that I recognize G. Raymond ''Ray'' Empson, who for the past 11 years has served as president of the national nonprofit organization, Keep America Beautiful, Inc., and has announced his well-deserved retirement effective December 31 of this year.

Keep America Beautiful, the organization that many remember as the originator of the famous ''Crying Indian'' public service advertisement in 1971, has been an important part of the fabric of American communities since 1953. Rooted in a nonpartisan and ''hands-on'' approach to improving communities and the environment, KAB forms public-private partnerships that engage everyone in improving not just the physical beauty of their hometowns, but their economic vitality and civic engagement, as well. I am proud that the state of Connecticut is home to the organization's national headquarters in Stamford.

During Ray Empson's tenure, Keep America Beautiful has grown to over 570 local affiliate organizations in communities from coast to coast. Through his leadership, and expansion of the signature event, The Great American Cleanup, KAB and its affiliates have removed millions of tons of litter from the American landscape; planted millions of trees that improve our communities; conserved our natural resources by recycling tons of raw material; improved hiking, biking and nature trails; and most importantly, educated millions of Americans of all ages in sustainable behaviors that prevent litter and reduce waste.

Given all these accomplishments, I can't help but think of Ray Empson's retirement in bittersweet terms. While I am certainly happy for him and wish him all the best, I can't help but think what a loss it will be for the country when he steps down. I am certain, however, that his commitment to the environment and his dedication to improving the quality of life in America's communities will serve as a strong example to all those who know him and have worked with him and will guide the future leadership of KAB.

Thank you G. Raymond Empson. America is a better place because of you.●

TRIBUTE TO REEDSPORT'S FAMILY RESOURCE CENTER

● Mr. SMITH. Mr. President, during this holiday season, my thoughts are with the countless nonprofit organizations in my State of Oregon that provide assistance to those in need. Ever since the days of the pioneers, when folks from miles around would gather for community ''barn raisings,'' the spirit of neighbor helping neighbor has been an important part of the Oregon story.

I rise today to pay tribute to the Family Resource Center in the south coast community of Reedsport, which, over the past decade, has gained a reputation as one of Oregon's most innovative and successful community organizations. Jointly supported by Lower Umpqua Hospital and the Reedsport School District, the Family Resource Center resulted from a community brainstorming meeting to identify ways to help Reedsport area families better access services. A decade after that session, the Family Resource Center averages 550 contacts a month and serves as a model of how entities can

work cooperatively for the betterment of the community, and how an entire community can get information and services in a nonstigmatizing environment.

Through a series of generous grants and donations, the Family Resource Center has been able to supply a tremendous number of services, including acting as an outreach office and an information clearinghouse for many government and nonprofit agencies; providing space for an alternative school and an infant care center; offering a ''connections'' program that matches up people in need of household furniture and appliances with those who have those items to give away; spearheading a school supply drive; providing mental health counseling and drug and alcohol evaluation; offering Red Cross babysitting courses and Oregon Child Care Basics workshops; offering victims' services, including women's support and sexual assault support groups, offering legal aid and paralegal services, and the list goes on and on.

Mr. President, the late Oregon Governor Tom McCall once said, ''Heroes are not giant statues framed against a red sky. They are individuals who say, ''This is my community and it is my responsibility to make it better.'' I am confident that all those who—through their time, talents, and treasure—have helped to write the remarkable 10 year history of the Family Resource Center are true heroes because they have truly made Reedsport a better place in which to live, work, and raise a family.●

TRIBUTE TO GEORGE PARASKEVAIDES

● Ms. SNOWE. Mr. President, today I wish to honor and pay tribute to George Paraskevaides, a world-renowned titan of industry, a much-beloved humanitarian, and a most esteemed philanthropist.

Throughout his exceptional life, George Paraskevaides, in word and deed, exemplified the ageless precepts of ancient Greece: excellence, education, civic engagement, and a love for mankind. And, at every turn, George not only lived up to those ideals—he lived them out in a way that was an example and inspiration to all.

Although an Athenian by birth, George moved his family to Cyprus where he pursued his studies and obtained a formal education in architecture, and where he would form with Stelios Joannou what would become the legendary contracting and civil engineering firm of Joannou & Paraskevaides—or J&P. And today, J&P is one of the largest development companies in the world, employing more than 16,000 people and engaged in projects for airports, hotels, highways, homes, and sports arenas to name just a few. Underpinning J&P's success is its hallmark attention to quality and its reputation for completing projects on time and on budget.

Through the years, however, in true Greek fashion, George was never content with building on his own success alone, and, time and again, demonstrated a generosity of spirit that was undeniably an ennobling force worldwide. His philanthropy was legendary. To cite just a few examples, he contributed to the Children's Heart Fund Hospital in Minneapolis, the Surgical and Transplant Foundation, and the Cyprus Heart Association. He funded countless scholarships for less fortunate Cypriots and founded the Cyprus Kidney Foundation. Perhaps his most historic gesture occurred during World War II when, at the request of British Prime Minister Winston Churchill, George Paraskevaides assisted in building an airport runway for U.S. Allies to use—an act which to this day is remembered for its decisive courage and lasting impact.

It should, therefore, come as no surprise that George Paraskevaides has been recognized globally for his immeasurable concern for his fellow man. The prestigious honors include the Order of the British Empire by Queen Elizabeth II, the Saint Marcus Medal from the Vatican, the St. Paul's Medal by the Greek Orthodox Archbishop of North and South America, the American Hellenic Educational Progressive Association, AHEPA, Philanthropic Award, and many, many others too numerous to mention. For 91 years, Greece, Cyprus, and the world were all blessed by the presence and good works of George Paraskevaides, and how profoundly fitting it was that Cyprus held a State funeral in his honor earlier this month.

Cyprus President Tassos Papadopoulos characterized George best when he described him as ''a model of humanism, dignity, and kindness. His name became synonymous with the ideals of philanthropy and selfless love towards our fellow man.''●

TRIBUTE TO CARROLL COLLEGE

● Mr. TESTER. Mr. President, today I congratulate and honor the football players at Carroll College, in Helena, MT, who this past Saturday became the National Champions of the National Association of Intercollegiate Athletics. The Fighting Saints defeated the University of Sioux Falls 17–to–9 on a cold, rainy day in Savannah, TN.

Folks in my home State are getting used to celebrating championships this time of year. Carroll's historic victory this past Sunday marks the fifth time in 6 years that they have been crowned National Champions.

I want to extend my congratulations to coach Mike Van Diest and his entire staff, cheerleading coach Pam Jones and her squad, athletic director Bruce Parker, Carroll College president Tom Trebon, and the entire Carroll community for bringing home the national title.

But I mostly want to applaud the young men who make up this remarkable team. Years from now they may forget the early morning and late night practices. They may forget the summer training in the Montana heat and other sacrifices they have made. But they will never forget the muddy day in December of 2007 when they raised up that trophy.

As a former teacher and referee I know firsthand how important interscholastic competition can be. It takes the dedication and determination of the young men and women who make a team. It takes the support of the community and the alumni. And it takes patient and talented coaches to lead.

Mr. President, I also know how outstanding an institution Carroll is. I have always been impressed by the accomplishments of both the students and the faculty and as the father of an alumna, I will always have a special place in my heart for Carroll.●

TRIBUTE TO COLONEL JEFFERSON JOSEPH DEBLANC

● Mr. VITTER. Mr. President, I wish to acknowledge COL Jefferson Joseph DeBlanc, Sr., for his dedicated service to Louisiana and the United States of America. I would like to take some time to make a few remarks on his accomplishments.

In 1940, Colonel DeBlanc left school in order to pursue a career in the military. After joining the Marine flight program, he enlisted in the Naval Reserve where he received elimination flight training. He continued his illustrious military career in the Marines, achieving the rank of captain on June 1, 1943, and transferred to the Marine Aircraft Group 11 overseas.

In November 1944, he returned overseas for his second tour of duty. He joined the Marine Fighting Squadron 422 in the Marshall Islands and remained stationed there until May 1945, joining Squadron 212 in order to fight in the Okinawa campaign. In his two tours of duty in the Pacific at Guadalcanal and Okinawa, he shot down nine enemy aircraft. On December 6, 1946, President Truman awarded him the Nation's highest decoration for valor and bravery, the Congressional Medal of Honor ''for his conspicuous gallantry and intrepidity at the risk of his life above and beyond the call of duty.'' Colonel DeBlanc received this medal for shooting down five enemy Zeros in the Solomons. He went on to be decorated with more than 10 medals, including the Purple Heart, the Distinguished Flying Cross, and multiple Gold Stars.

Colonel DeBlanc later received a master's degree in education. He worked with the St. Martin's Parish School Board and taught physics at Mt. Carmel in New Iberia. After his retirement from the Marine Corps Reserve in 1972, he served as a member in multiple organizations, including the Veterans of Foreign Wars and Medal of Honor Society.

Colonel Jefferson Joseph DeBlanc, Sr., passed away on Thursday, November 22, 2007. Colonel DeBlanc was the last living World War II Medal of Honor recipient from Louisiana. Although he did not perceive his achievement as a fighter pilot as out of the ordinary, many Louisianans will long remember the gallantry, bravery, and valor he exhibited throughout his life.

Thus, today, I am proud to rise to honor a fellow Louisianan, Colonel Jefferson Joseph DeBlanc, Sr., and thank him for his dedicated and tireless service to our country.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations and a withdrawal which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 2:21 p.m., a message from the House of Representatives, delivered by Mr. Hanrahan, one of its reading clerks, announced that the House has passed the following bills, without amendment:

S. 1396. An act to authorize a major medical facility project to modernize inpatient wards at the Department of Veterans Affairs Medical Center in Atlanta, Georgia.

S. 1896. An act to designate the facility of the United States Postal Service located at 11 Central Street in Hillsborough, New Hampshire, as the ''Officer Jeremy Todd Charron Post Office''.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3793. An act to amend title 37, United States Code, to require the continued payment to a member of the uniformed services who dies or is retired or separated under chapter 61 of title 10, United States Code, bonuses and similar benefits that the member was entitled to before the death, retirement, or separation of the member and would be paid if the member had not died, retired, or separated, to prohibit requiring the member to repay any portion of the bonuses or similar benefits previously paid, and for other purposes.

The message further announced that in accordance with the request of the Senate, the bill (H.R. 2764) making appropriations for the Department of State, foreign operations, and related programs for the fiscal year ending September 30, 2008, and for other purposes, and all accompanying papers are hereby returned to the Senate.

At 3:13 p.m., a message from the House of Representatives, delivered by Mr. Hanrahan, one of its reading clerks, announced that the House has passed the following bill, without amendment:

S. 863. An act to amend title 18, United States Code, with respect to fraud in connection with major disaster or emergency funds.

The message also announced that the House has passed the following bill and joint resolution, in which it requests the concurrence of the Senate:

H.R. 1216. An act to direct the Secretary of Transportation to issue regulations to reduce the incidence of child injury and death occurring inside or outside of light motor vehicles, and for other purposes.

H. J. Res. 72. Joint resolution making further continuing appropriations for the fiscal year 2008, and for other purposes.

The message further announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 62. Concurrent resolution to correct the enrollment of H.R. 660.

The message also announced that the House agrees to the amendment of the Senate to the bill (H.R. 660) to amend title 18, United States Code, to protect judges, prosecutors, witnesses, victims, and their family members, and for other purposes.

ENROLLED BILL SIGNED

At 3:40 p.m., a message from the House of Representatives, delivered by Mr. Hanrahan, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 1585. An act to authorize appropriations for fiscal year 2008 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes.

The enrolled bill was subsequently signed by the President pro tempore (Mr. BYRD).

ENROLLED BILLS SIGNED

At 3:52 p.m., a message from the House of Representatives, delivered by Mr. Hanrahan, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

H.R. 2761. An act to extend the Terrorism Insurance Program of the Department of the Treasury, and for other purposes.

H.R. 3648. An act to amend the Internal Revenue Code of 1986 to exclude discharges of indebtedness on principle residences from gross income, and for other purposes.

The enrolled bills were subsequently signed by the President pro tempore (Mr. BYRD).

At 5:46 p.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the House has agreed to the amendment of the Senate to the bill (H.R. 3996) to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes.

The message also announced that the resolution from the Senate (S. Con. Res. 61) providing for a conditional adjournment or recess of the Senate, and a conditional adjournment of the House of Representatives, do pass with amendments, in which it requests the concurrence of the Senate.

The message further announced that the House has passed the following bill, without amendment:

S. 2499. An act to amend titles XVIII, XIX, and XXI of the Social Security Act to extend provisions under the Medicare, Medicaid, and SCHIP programs, and for other purposes.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 4040. An act to establish consumer product safety standards and other safety requirements for children's products and to reauthorize and modernize the Consumer Product Safety Commission.

The message further announced that pursuant to section 1238(b)(3) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (22 U.S.C. 7002), amended by division P of the Consolidated Appropriations Resolution, 2003 (22 U.S.C. 6901), and the order of the House of January 4, 2007, the Speaker reappoints the following members on the part of the House of Representatives to the United States-China Economic and Security Review Commission for terms to expire December 31, 2009: Ms. Carolyn Bartholomew of the District of Colombia, and Mr. Jeffrey L. Fiedler of Great Falls, Virginia.

At 6:57 p.m., a message from the House of Representatives, delivered by Mr. Hanrahan, one of its reading clerks, announced that the House agrees to the amendment of the Senate to Amendment #2 of the House to the amendment of the Senate to the bill (H.R. 2764) making appropriations for the Department of State, foreign operations, and related programs for the fiscal year ending September 30, 2008, and for other purposes.

The message also announced that the House agrees to the amendment of the Senate to the bill (H.R. 2640) to improve the National Instant Criminal Background Check System, and for other purposes.

The message further announced that the House has passed the following bills, without amendment:

S. 1916. An act to amend the Public Health Service Act to modify the program for the sanctuary system for surplus chimpanzees by terminating the authority for the removal of chimpanzees from the system for research purposes.

S. 2436. An act to amend the Internal Revenue Code of 1986 to clarify the term of the Commissioner of Internal Revenue.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 4839. An act to amend the Internal Revenue Code of 1986 to make technical corrections, and for other purposes.

ENROLLED BILLS SIGNED

The message further announced that the Speaker pro tempore (Mr. HOYER) has signed the following enrolled bills:

S. 2271. An act to authorize State and local governments to divest assets in companies that conduct business operations in Sudan, to prohibit United States Government contracts with such companies, and for other purposes.

S. 2488. An act to promote accessibility, accountability, and openness in Government by strengthening section 552 of title 5, United States Code (commonly referred to as the Freedom of Information Act), and for other purposes.

H.R. 366. An act to designate the Department of Veterans Affairs Outpatient Clinic in Tulsa, Oklahoma, as the ''Earnest Childers Department of Veterans Affairs Outpatient Clinic''.

H.R. 3996. An act to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, December 19, 2007, she had presented to the President of the United States the following enrolled bills and joint resolution:

S. 597. An act to amend title 39, United States Code, to extend the authority of the United States Postal Service to issue a semipostal to raise funds for breast cancer research.

S. 2174. An act to designate the facility of the United States Postal Service located at 175 South Monroe Street in Tiffin, Ohio, as the ''Paul E. Gillmor Post Office Building''.

S. 2484. An act to rename the National Institute of Child Health and Human Development as the Eunice Kennedy Shriver National Institute of Child Health and Human Development.

S.J. Res. 13. Joint resolution granting the consent of Congress to the International Emergency Management Assistance Memorandum of Understanding.

MEASURES REFERRED

The following joint resolution was read the first and the second times by unanimous consent, and referred as indicated:

H.J. Res. 15. Joint resolution recognizing the contributions of the Christmas tree industry to the United States economy; to the Committee on Agriculture, Nutrition, and Forestry.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 254. Concurrent resolution recognizing and celebrating the centennial of Oklahoma statehood; to the Committee on the Judiciary.

MEASURES PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 3793. To amend title 37, United States Code, to require the continued payment to a member of the uniformed services who dies or is retired or separated under chapter 61 of title 10, United States Code, bonuses and similar benefits that the member was entitled to before the death, retirement, or separation of the member and would be paid if the member had not died, retired, or separated, to prohibit requiring the member to repay any portion of the bonuses or similar benefits previously paid, and for other purposes.

MEASURES READ THE FIRST TIME

The following bill was read the first time:

H.R. 4040. An act to establish consumer product safety standards and other safety requirements for children's products and to reauthorize and modernize the Consumer Product Safety Commission.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC–4442. A communication from the Regulatory Officer, Forest Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Sale and Disposal of National Forest System Timber; Timber Sale Contracts; Purchaser Elects Government Road Construction'' (RIN0596–AC40) received on December 18, 2007; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4443. A communication from the Regulatory Officer, Forest Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Sale and Disposal of National Forest System Timber; Modification of Timber Sale Contracts in Extraordinary Conditions; Noncompetitive Sale of Timber'' (RIN0596–AB70) received on December 18, 2007; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4444. A communication from the Secretary of Defense, transmitting, a report on the approved retirement of General William T. Hobbins, United States Air Force, and his advancement to the grade of general on the retired list; to the Committee on Armed Services.

EC–4445. A communication from the Counsel for Legislation and Regulations, Office of Housing, Department of Housing and Urban Development, transmitting, pursuant to law, the report of a rule entitled ''Implementation of Mark-to-Market Program Revisions'' (RIN2502–AH86) received on December 18, 2007; to the Committee on Banking, Housing, and Urban Affairs.

EC–4446. A communication from the Acting Director, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Closure (New Jersey 2007 Summer Flounder Commercial Fishery)'' (RIN0648–XE00) received on December 18, 2007; to the Committee on Commerce, Science, and Transportation.

EC–4447. A communication from the Deputy Director, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Extension of Final Temporary Rule for Interim Measures to Address Overfishing of Gulf of Mexico Red Snapper During 2007'' (RIN0648–AT87) received on December 18, 2007; to the Committee on Commerce, Science, and Transportation.

EC–4448. A communication from the Acting Director, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska; Reallocation of Halibut in the Gulf of Alaska'' (RIN0648–XE00) received on December 18, 2007; to the Committee on Commerce, Science, and Transportation.

EC–4449. A communication from the Assistant Administrator, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Final Rule to Implement 2008 First Season Atlantic Shark Commercial Management Measures'' (RIN0648–AV93) received on December 18, 2007; to the Committee on Commerce, Science, and Transportation.

EC–4450. A communication from the Regulatory Officer, Forest Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Onshore Oil and Gas Operations; Federal and Indian Oil and Gas Leases; Onshore Oil and Gas Order Number 1, Approval of Operations'' (RIN0596–AC20) received on December 18, 2007; to the Committee on Energy and Natural Resources.

EC–4451. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics and Innovation, Environmental Protection Agency, transmitting, two documents recently issued by the Agency related to its regulatory programs; to the Committee on Environment and Public Works.

EC–4452. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Air Quality Implementation Plans; Nevada; Washoe County 8-Hour Ozone Maintenance Plan'' (FRL No. 8509–2) received on December 18, 2007; to the Committee on Environment and Public Works.

EC–4453. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Glufosinate-ammonium; Pesticide Tolerance'' (FRL No. 8342–3) received on December 18, 2007; to the Committee on Environment and Public Works.

EC–4454. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Air Quality Implementation Plan; South Dakota; Revisions to New Source Review Rules'' (FRL No. 8509–4) received on December 18, 2007; to the Committee on Environment and Public Works.

EC–4455. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''National Emission Standards for Hazardous Air Pollutants for Area Sources: Clay Ceramics Manufacturing, Glass Manufacturing, and Secondary Nonferrous Metals Processing'' ((RIN2060–AM12)(FRL No. 8508–5)) received on December 18, 2007; to the Committee on Environment and Public Works.

EC–4456. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''National Emission Standards for Hazardous Air Pollutants for Area Sources: Electric Arc Furnace Steelmaking Facilities'' ((RIN2060–AM71)(FRL No. 8509–5)) received on December 18, 2007; to the Committee on Environment and Public Works.

EC–4457. A communication from the Principal Deputy Associate Administrator, Office

of Policy, Economics and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''National Emission Standards for Hazardous Air Pollutants for Iron and Steel Foundries Area Sources'' (FRL No. 8509–6) received on December 18, 2007; to the Committee on Environment and Public Works.

EC–4458. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''National Emission Standards for Hazardous Air Pollutants: Paint Stripping and Miscellaneous Surface Coating Operations at Area Sources'' ((RIN2060–AN21)(FRL No. 8508–6)) received on December 18, 2007; to the Committee on Environment and Public Works.

EC–4459. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Pesticide Tolerance Crop Grouping Program; Technical Amendment'' ((RIN2070–AJ28)(FRL No. 8345–4)) received on December 18, 2007; to the Committee on Environment and Public Works.

EC–4460. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Prevention of Significant Deterioration and Nonattainment New Source Review: Reasonable Possibility in Recordkeeping'' ((RIN2060–AN88)(FRL No. 8508–4)) received on December 18 , 2007; to the Committee on Environment and Public Works.

EC–4461. A communication from the Regulatory Officer, Forest Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Subsistence Management Regulations for Public Lands in Alaska, Subpart D; Seasonal Adjustments—Copper, Unalakleet, and Yukon Rivers'' (50 CFR Part 100) received on December 18, 2007; to the Committee on Environment and Public Works.

EC–4462. A communication from the Regulatory Officer, Forest Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Subsistence Management Regulations for Public Lands in Alaska; Kenai Peninsula Subsistence Resource Region'' (RIN1018–AU92) received on December 18, 2007; to the Committee on Environment and Public Works.

EC–4463. A communication from the Secretary of the Treasury, transmitting, pursuant to law, semiannual reports from the Office of the Treasury Inspector General and the Treasury Inspector General for Tax Administration; to the Committee on Homeland Security and Governmental Affairs.

EC–4464. A communication from the Secretary of Labor, transmitting, pursuant to law, the Semiannual Report of the Pension Benefit Guaranty Corporation's Inspector General for the period of April 1, 2007, through September 30, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–4465. A communication from the Chairman, Securities and Exchange Commission, transmitting, pursuant to law, the Semiannual Report of the Commission's Inspector General for the period of April 1, 2007, through September 30, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–4466. A communication from the Chairman, National Endowment for the Arts, transmitting, pursuant to law, the Semiannual Report of the Organization's Inspector General for the period of April 1, 2007, through September 30, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–4467. A communication from the Acting Deputy Assistant Administrator, Office of Diversion Control, Department of Justice, transmitting, pursuant to law, the report of a rule entitled ''Issuance of Multiple Prescriptions for Schedule II Controlled Substances'' (RIN1117–AB01) received on December 18, 2007; to the Committee on the Judiciary.

EC–4468. A copy of a complaint as required by section 403(a)(2) of the Bipartisan Campaign Reform Act of 2002 relative to the case of Citizens United v. FEC; to the Committee on Rules and Administration.

EC–4469. A communication from the Administrator, Food and Nutrition Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Applying for Free and Reduced Price Meals in the National School Lunch Program and School Breakfast Program and for Benefits in the Special Milk Program and Technical Amendments'' (RIN0584–AD54) received on December 18, 2007; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4470. A communication from the Regulatory Officer, Forest Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Procedures for Appraising Recreation Residence Lots and for Managing Recreation Residence Uses Pursuant to the Cabin User Fee Fairness Act'' (RIN0596–AB83) received on December 18, 2007; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4471. A communication from the Principal Deputy, Office of the Under Secretary of Defense (Personnel and Readiness), transmitting, the report of the authorization of Colonel Garrett Harencak to wear the authorized insignia of the grade of brigadier general in accordance with title 10, United States Code, section 777; to the Committee on Armed Services.

EC–4472. A communication from the General Counsel, National Credit Union Administration, transmitting, pursuant to law, the report of a rule entitled ''Fair Credit Reporting, Subpart C—Affiliate Marketing'' (RIN3133–AD00) received on December 18, 2007; to the Committee on Banking, Housing, and Urban Affairs.

EC–4473. A communication from the Secretary, Federal Trade Commission, transmitting, pursuant to law, a report on ethanol market concentration; to the Committee on Commerce, Science, and Transportation.

EC–4474. A communication from the Deputy Assistant Administrator for Regulatory Programs, National Marine Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''2008 Summer Flounder Coastwide Recreational Interim Management Measures'' (RIN0648–AC99) received on December 18, 2007; to the Committee on Commerce, Science, and Transportation.

EC–4475. A communication from the Regulatory Officer, Forest Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''National Forest System Land Management Planning'' (RIN0596–AC43) received on December 18, 2007; to the Committee on Energy and Natural Resources.

EC–4476. A communication from the Chairman, Federal Energy Regulatory Commission, transmitting, pursuant to law, a report relative to the Commission's competitive sourcing activities during fiscal year 2007; to the Committee on Energy and Natural Resources.

EC–4477. A communication from the Regulatory Officer, Forest Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Subsistence Management Regulations for Public Lands in Alaska, Subpart C and Subpart D—2007–2008 Subsistence Taking of Fish and Shellfish Regulations'' (RIN1018–AU57) received on December 18, 2007; to the Committee on Environment and Public Works.

EC–4478. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Update of Weighted Average Interest Rates, Yield Curves, and Segment Rates'' (Notice 2007–101) received on December 18, 2007; to the Committee on Finance.

EC–4479. A communication from the Assistant Secretary, Office of Legislative Affairs, Department of State, transmitting, pursuant to law, a report relative to the compliance of several countries to freedom of emigration provisions; to the Committee on Finance.

EC–4480. A communication from the White House Liaison, Department of the Treasury, transmitting, pursuant to law, (6) reports relative to vacancies within the Department, received on December 18, 2007; to the Committee on Finance.

EC–4481. A communication from the Assistant Secretary, Office of Legislative Affairs, Department of State, transmitting, pursuant to law, an annual report relative to the Benjamin A. Gilman International Scholarship Program for fiscal year 2007; to the Committee on Foreign Relations.

EC–4482. A communication from the Assistant Secretary, Office of Legislative Affairs, Department of State, transmitting, pursuant to law, the certification of a proposed manufacturing license agreement for the transfer of technical data to Israel for the manufacture of the Advanced Digital Dispensing System II Countermeasure Dispenser System; to the Committee on Foreign Relations.

EC–4483. A communication from the Assistant Secretary, Office of Legislative Affairs, Department of State, transmitting, pursuant to law, the certification of a proposed agreement for the export of technical data to Canada to support the manufacture of Decoder Assemblies; to the Committee on Foreign Relations.

EC–4484. A communication from the Chief Executive Officer, Corporation for National and Community Service, transmitting, pursuant to law, the Semiannual Report of the Corporation's Inspector General for the period from April 1, 2007, through September 30, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–4485. A communication from the Administrator, U.S. Agency for International Development, transmitting, pursuant to law, the Semiannual Report of the Agency's Inspector General for the period ending September 10, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–4486. A communication from the Director of Administration, National Labor Relations Board, transmitting, pursuant to law, the Board's Performance and Accountability Report for fiscal year 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–4487. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the Semiannual Report of the Department's Inspector General for the period ending September 30, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–4488. A communication from the Attorney General, transmitting, pursuant to law, the Semiannual Report of the Department's Inspector General for the six-month period from April 1, 2007, through September 30, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–4489. A communication from the Administrator, Small Business Administration, transmitting, pursuant to law, the Administration's financial report for fiscal year 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–4490. A communication from the Chair, Equal Employment Opportunity Commission, transmitting, pursuant to law, the Semiannual Report of the Commission's Inspector General for the period ended September 30, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–4491. A communication from the Secretary of Education, transmitting, pursuant to law, the Semiannual Report of the Department's Inspector General for the period from April 1, 2007, through September 30, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–4492. A communication from the Director, Strategic Human Resources Policy Division, Office of Personnel Management, transmitting, pursuant to law, the report of a rule entitled ''Federal Employees' Retirement System; Present Value Conversion Factors for Spouses of Deceased Separated Employees'' (RIN3206–AL31) received on December 18, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–4493. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 17–217 , ''Rent Administrator Hearing Authority Temporary Amendment Act of 2007'' received on December 19, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–4494. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 17–218, ''Building Hope Real Property Tax Exemption and Equitable Real Property Tax Relief Temporary Act of 2007'' received on December 19, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–4495. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 17–219 , ''Health-Care Decisions for Persons with Developmental Disabilities Temporary Amendment Act of 2007'' received on December 19, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–4496. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 17–220 , ''Operation Enduring Freedom and Operation Iraqi Freedom Active Duty Pay Differential Extension Temporary Amendment Act of 2007'' received on December 19, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–4497. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 17–221 , ''Nuisance Property Abatement Reform and Real Property Classification Temporary Amendment Act of 2007'' received on December 19, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–4498. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 17–222 , ''Bicycle Communter Commuted and Parking Expansion Act of 2007'' received on December 19, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–4499. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 17–223, ''Exploratory Committee Regulation Amendment Act of 2007'' received on December 19, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–4500. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 17–224 , ''Child and Family Services Grant-making Temporary Amendment Act of 2007'' received on December 19, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–4501. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 17–225 , ''Prohibition of the Investment of Public Funds in Certain Companies Doing Business with the Government of Sudan Act of 2007'' received on December 19, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–4502. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 17–226 , ''Student Access to Treatment Act of 2007'' received on December 19, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–4503. A communication from the Chief Acquisition Officer, General Services Administration, Department of Defense, transmitting, pursuant to law, the report of a rule entitled ''Federal Acquisition Regulation; Federal Acquisition Circular 2005–22'' (FAC 2005–22) received on December 19, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–4504. A communication from the Regulatory Officer, Forest Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Special Uses; Managing Recreation Residences and Assessing Fees Under the Cabin User Fee Fairness Act'' (RIN0596–AB83) received on December 18, 2007; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4505. A communication from the Regulatory Officer, Forest Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Sale and Disposal of National Forest System Timber; Free Use to Individuals; Delegation of Authority'' (RIN0596–AC09) received on December 18, 2007; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4506. A communication from the Regulatory Officer, Forest Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Land Uses; Special Uses; Recovery of Costs for Processing Special Use Applications and Monitoring Compliance with Special Use Authorizations'' (RIN0596–AB36) received on December 18, 2007; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4507. A communication from the Regulatory Officer, Forest Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Sale and Disposal of National Forest System Timber; Timber Sale Contracts; Indices to Determine Market-Related Contract Term Additions'' (RIN3206–AK35) received on December 18, 2007; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4508. A communication from the Administrator, National Aeronautics and Space Administration, transmitting, pursuant to law, a report relative to the International Space Station's second pressurized node; to the Committee on Commerce, Science, and Transportation.

EC–4509. A communication from the Assistant Secretary, Office of Legislative Affairs, Department of State, transmitting, pursuant to law, a report relative to cross-border interoperability with Canada; to the Committee on Commerce, Science, and Transportation.

EC–4510. A communication from the Secretary of Energy, transmitting, pursuant to law, an annual report relative to the Navajo Electrification Demonstration Program; to the Committee on Energy and Natural Resources.

EC–4511. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Qualifying Relative for Purposes of Section 152(d)(1)'' (Notice 2008–5) received on December 18, 2007; to the Committee on Finance.

EC–4512. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''2007 Section 846 Discount Factors'' (Rev. Proc. 2008–10) received on December 18, 2007; to the Committee on Finance.

EC–4513. A communication from the Assistant Secretary, Office of Legislative Affairs, Department of State, transmitting, pursuant to law, the certification of a proposed agreement for the export of defense articles to Japan to manufacture Mission Data Recorders and other devices to support F–15 aircraft; to the Committee on Foreign Relations .

EC–4514. A communication from the Assistant Secretary, Office of Legislative Affairs, Department of State, transmitting, pursuant to law, the certification of a proposed technical assistance agreement for the export of technical data in support of the Network System for the A400M Aircraft; to the Committee on Foreign Relations.

EC–4515. A communication from the Assistant Secretary, Office of Legislative Affairs, Department of State, transmitting, pursuant to law, the certification of a proposed agreement for the export of defense articles to Mexico to support the manufacture of minor aircraft parts for various military aircraft; to the Committee on Foreign Relations.

EC–4516. A communication from the Assistant Secretary, Office of Legislative Affairs, Department of State, transmitting, pursuant to law, the certification of a proposed agreement for the export of defense articles to Australia, Canada, France, Italy, and Singapore for the design of the Optus D3 Commercial Communications Satellite Program for Australia; to the Committee on Foreign Relations.

EC–4517. A communication from the Assistant Secretary, Office of Legislative Affairs, Department of State, transmitting, pursuant to law, the certification of a proposed agreement for the export of defense articles to the United Arab Emirates, Italy, and France for the installation and follow-on support of the Rolling Air Frame Missile Guided Missile Launch System; to the Committee on Foreign Relations.

EC–4518. A communication from the Assistant Secretary, Office of Legislative Affairs, Department of State, transmitting, pursuant to law, the certification of a proposed agreement for the export of defense articles to Israel to provide continued support for the upgrade of the USAF's T–38 training aircraft's avionics; to the Committee on Foreign Relations.

EC–4519. A communication from the Assistant Secretary, Office of Legislative Affairs, Department of State, transmitting, pursuant to law, the certification of a proposed technical assistance agreement for the export of defense data to Italy for the manufacture of upper wing skins for the F–35 Joint Strike Fighter; to the Committee on Foreign Relations.

EC–4520. A communication from the Assistant Secretary, Office of Legislative Affairs, Department of State, transmitting, pursuant to law, the certification of a proposed license for the export of defense articles to the Philippines and South Korea necessary for the

assembly of Complimentary Metal Oxide Semiconductor Application Specific Integrated Circuits; to the Committee on Foreign Relations.

EC–4521. A communication from the Assistant Secretary, Office of Legislative Affairs, Department of State, transmitting, pursuant to law, the certification of a proposed agreement for the export of defense articles in support of the manufacture of components for the AN/APG–66J Fire Control Radar System; to the Committee on Foreign Relations.

EC–4522. A communication from the Assistant Secretary, Office of Legislative Affairs, Department of State, transmitting, pursuant to law, the certification of a proposed agreement for the permanent transfer of three F–16 B MLU M2 Block 10 and three F–16 B MLU M2 Block 15 aircraft; to the Committee on Foreign Relations.

EC–4523. A communication from the Assistant Secretary, Office of Legislative Affairs, Department of State, transmitting, pursuant to law, the certification of a proposed manufacturing license agreement for the export of defense articles to South Korea to support the developmental manufacture of the T–701K helicopter engine; to the Committee on Foreign Relations.

EC–4524. A communication from the Assistant Secretary, Office of Legislative Affairs, Department of State, transmitting, pursuant to law, the certification of a proposed technical assistance agreement for the export of defense articles in support of the Sistema de Vigilancia de Amazonia Wide Area Surveillance System; to the Committee on Foreign Relations.

EC–4525. A communication from the Assistant Secretary, Office of Legislative Affairs, Department of State, transmitting, pursuant to law, the certification of a proposed agreement for the export of defense articles to France, Germany, Gibraltar, Luxembourg, the Netherlands, Spain, Sweden, and the United Kingdom for the design of the New Skies Satellite Satellites Program; to the Committee on Foreign Relations.

EC–4526. A communication from the Assistant Secretary, Office of Legislative Affairs, Department of State, transmitting, pursuant to law, the certification of a proposed technical assistance agreement for the export of defense articles in support of the Communication and Information System Wideband Programmable Network Radio; to the Committee on Foreign Relations.

EC–4527. A communication from the Assistant Secretary, Office of Legislative Affairs, Department of State, transmitting, pursuant to law, the certification of a proposed agreement for the permanent transfer of eleven Jordanian F–5 aircraft to the Government of Brazil; to the Committee on Foreign Relations.

EC–4528. A communication from the Assistant Secretary, Office of Legislative Affairs, Department of State, transmitting, pursuant to law, the certification of a proposed agreement for the export of defense articles to Israel to support the manufacture of F/A–18 Leading Edge Extensions and Aft Nose Landing Gear Doors; to the Committee on Foreign Relations.

EC–4529. A communication from the Assistant Secretary, Office of Legislative Affairs, Department of State, transmitting, pursuant to law, weekly reports relative to Iraq for the period of October 15, 2007, through December 15, 2007; to the Committee on Foreign Relations.

EC–4530. A communication from the Assistant Secretary, Office of Legislative Affairs, Department of State, transmitting, pursuant to law, the report of a rule entitled ''Schedule of Fees for Consular Services, Department of State and Overseas Embassies and Consulates'' (RIN1400–AC42) received on December 19, 2007; to the Committee on Foreign Relations.

EC–4531. A communication from the Assistant Secretary for Administration and Management, Competitive Sourcing Official, Department of Labor, transmitting, pursuant to law, a report relative to the Department's competitive sourcing activities during fiscal year 2007; to the Committee on Health, Education, Labor, and Pensions.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–272. A resolution adopted by the Board of County Commissioners for Miami-Dade County of the State of Florida urging the Florida Legislature to allow the use of unmanned cameras at intersections with traffic signals in an effort to reduce red-light running; to the Committee on Commerce, Science, and Transportation.

POM–273. A resolution adopted by the Board of County Commissioners for Miami-Dade County of the State of Florida urging the Florida Legislature to designate NW 7th Avenue from NW 35th Street as Dr. Barbara Carey-Shuler Avenue; to the Committee on Environment and Public Works.

POM–274. A report from the City Clerk of the City of Punta Gorda in the State of Florida relative to the Minority Reporting Form for 2006; to the Committee on Health, Education, Labor, and Pensions.

POM–275. A resolution adopted by the Board of County Commissioners for Miami-Dade County of the State of Florida urging the Florida Legislature to increase the penalties and fines for dog and other animal fighting; to the Committee on the Judiciary.

POM–276. A resolution adopted by the Board of County Commissioners for Miami-Dade County of the State of Florida urging Congress to reinstate the federal assault weapons ban; to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LEAHY, from the Committee on the Judiciary, with amendments:

S. 772. A bill to amend the Federal antitrust laws to provide expanded coverage and to eliminate exemptions from such laws that are contrary to the public interest with respect to railroads (Rept. No. 110–252).

By Mrs. BOXER, from the Committee on Environment and Public Works, without amendment:

S. 595. A bill to amend the Emergency Planning and Community Right-to-Know Act of 1986 to strike a provision relating to modifications in reporting frequency (Rept. No. 110–253).

S. 1523. A bill to amend the Clean Air Act to reduce emissions of carbon dioxide from the Capitol power plant (Rept. No. 110–254).

EXECUTIVE REPORT OF COMMITTEE

The following executive report of committee was submitted:

By Mr. BIDEN, from the Committee on Foreign Relations:

[Treaty Doc. 103–39 United Nations Convention on the Law of the Sea (Ex. Rept. 110–9)]

The text of the committee-recommended resolution of advice and consent to ratification is as follows:

Resolved (two-thirds of the Senators present concurring therein),

Section 1. Senate Advice and Consent Subject to Declarations and Understandings.

The Senate advises and consents to the accession to the United Nations Convention on the Law of the Sea, with annexes, adopted on December 10, 1982 (hereafter in this resolution referred to as the ''Convention''), and to the ratification of the Agreement Relating to the Implementation of Part XI of the United Nations Convention on the Law of the Sea, with annex, adopted on July 28, 1994 (hereafter in this resolution referred to as the ''Agreement'') (T. Doc. 103–39), subject to the declarations of section 2, to be made under articles 287 and 298 of the Convention, the declarations and understandings of section 3, to be made under article 310 of the Convention, and the conditions of section 4.

Section 2. Declarations Under Articles 287 and 298.

The advice and consent of the Senate under section 1 is subject to the following declarations:

(1) The Government of the United States of America declares, in accordance with article 287(1), that it chooses the following means for the settlement of disputes concerning the interpretation or application of the Convention:

(A) a special arbitral tribunal constituted in accordance with Annex VIII for the settlement of disputes concerning the interpretation or application of the articles of the Convention relating to (1) fisheries, (2) protection and preservation of the marine environment, (3) marine scientific research, and (4) navigation, including pollution from vessels and by dumping; and

(B) an arbitral tribunal constituted in accordance with Annex VII for the settlement of disputes not covered by the declaration in subparagraph (A).

(2) The Government of the United States of America declares, in accordance with article 298(1), that it does not accept any of the procedures provided for in section 2 of Part XV (including, inter alia, the Sea-Bed Disputes Chamber procedure referred to in article 287(2)) with respect to the categories of disputes set forth in subparagraphs (a), (b), and (c) of article 298(1). The United States further declares that its consent to accession to the Convention is conditioned upon the understanding that, under article 298(1)(b), each State Party has the exclusive right to determine whether its activities are or were ''military activities'' and that such determinations are not subject to review.

Section 3. Other Declarations and Understandings under Article 310.

The advice and consent of the Senate under section 1 is subject to the following declarations and understandings:

(1) The United States understands that nothing in the Convention, including any provisions referring to ''peaceful uses'' or ''peaceful purposes,'' impairs the inherent right of individual or collective self-defense or rights during armed conflict.

(2) The United States understands, with respect to the right of innocent passage under the Convention, that—

(A) all ships, including warships, regardless of, for example, cargo, armament, means of propulsion, flag, origin, destination, or purpose, enjoy the right of innocent passage;

(B) article 19(2) contains an exhaustive list of activities that render passage non-innocent;

(C) any determination of non-innocence of passage by a ship must be made on the basis of acts it commits while in the territorial sea, and not on the basis of, for example, cargo, armament, means of propulsion, flag, origin, destination, or purpose; and

(D) the Convention does not authorize a coastal State to condition the exercise of the

right of innocent passage by any ships, including warships, on the giving of prior notification to or the receipt of prior permission from the coastal State.

(3) The United States understands, concerning Parts III and IV of the Convention, that—

(A) all ships and aircraft, including warships and military aircraft, regardless of, for example, cargo, armament, means of propulsion, flag, origin, destination, or purpose, are entitled to transit passage and archipelagic sea lanes passage in their ''normal mode'';

(B) ''normal mode'' includes, inter alia—

(i) submerged transit of submarines;

(ii) overflight by military aircraft, including in military formation;

(iii) activities necessary for the security of surface warships, such as formation steaming and other force protection measures;

(iv) underway replenishment; and

(v) the launching and recovery of aircraft;

(C) the words ''strait'' and ''straits'' are not limited by geographic names or categories and include all waters not subject to Part IV that separate one part of the high seas or exclusive economic zone from another part of the high seas or exclusive economic zone or other areas referred to in article 45;

(D) the term ''used for international navigation'' includes all straits capable of being used for international navigation; and

(E) the right of archipelagic sea lanes passage is not dependent upon the designation by archipelagic States of specific sea lanes and/or air routes and, in the absence of such designation or if there has been only a partial designation, may be exercised through all routes normally used for international navigation.

(4) The United States understands, with respect to the exclusive economic zone, that—

(A) all States enjoy high seas freedoms of navigation and overflight and all other internationally lawful uses of the sea related to these freedoms, including, inter alia, military activities, such as anchoring, launching and landing of aircraft and other military devices, launching and recovering waterborne craft, operating military devices, intelligence collection, surveillance and reconnaissance activities, exercises, operations, and conducting military surveys; and

(B) coastal State actions pertaining to these freedoms and uses must be in accordance with the Convention.

(5) The United States understands that ''marine scientific research'' does not include, inter alia—

(A) prospecting and exploration of natural resources;

(B) hydrographic surveys;

(C) military activities, including military surveys;

(D) environmental monitoring and assessment pursuant to section 4 of Part XII; or

(E) activities related to submerged wrecks or objects of an archaeological and historical nature.

(6) The United States understands that any declaration or statement purporting to limit navigation, overflight, or other rights and freedoms of all States in ways not permitted by the Convention contravenes the Convention. Lack of a response by the United States to a particular declaration or statement made under the Convention shall not be interpreted as tacit acceptance by the United States of that declaration or statement.

(7) The United States understands that nothing in the Convention limits the ability of a State to prohibit or restrict imports of goods into its territory in order to, inter alia, promote or require compliance with environmental and conservation laws, norms, and objectives.

(8) The United States understands that articles 220, 228, and 230 apply only to pollution from vessels (as referred to in article 211) and not, for example, to pollution from dumping.

(9) The United States understands, with respect to articles 220 and 226, that the ''clear grounds'' requirement set forth in those articles is equivalent to the ''reasonable suspicion'' standard under United States law.

(10) The United States understands, with respect to article 228(2), that—

(A) the ''proceedings'' referred to in that paragraph are the same as those referred to in article 228(1), namely those proceedings in respect of any violation of applicable laws and regulations or international rules and standards relating to the prevention, reduction and control of pollution from vessels committed by a foreign vessel beyond the territorial sea of the State instituting proceedings; and

(B) fraudulent concealment from an officer of the United States of information concerning such pollution would extend the three-year period in which such proceedings may be instituted.

(11) The United States understands, with respect to article 230, that—

(A) it applies only to natural persons aboard the foreign vessels at the time of the act of pollution;

(B) the references to ''monetary penalties only'' exclude only imprisonment and corporal punishment;

(C) the requirement that an act of pollution be ''willful'' in order to impose nonmonetary penalties would not constrain the imposition of such penalties for pollution caused by gross negligence;

(D) in determining what constitutes a ''serious'' act of pollution, a State may consider, as appropriate, the cumulative or aggregate impact on the marine environment of repeated acts of pollution over time; and

(E) among the factors relevant to the determination whether an act of pollution is ''serious,'' a significant factor is non-compliance with a generally accepted international rule or standard.

(12) The United States understands that sections 6 and 7 of Part XII do not limit the authority of a State to impose penalties, monetary or non-monetary, for, inter alia—

(A) non-pollution offenses, such as false statements, obstruction of justice, and obstruction of government or judicial proceedings, wherever they occur; or

(B) any violation of national laws and regulations or applicable international rules and standards for the prevention, reduction and control of pollution of the marine environment that occurs while a foreign vessel is in any of its ports, rivers, harbors, or offshore terminals.

(13) The United States understands that the Convention recognizes and does not constrain the longstanding sovereign right of a State to impose and enforce conditions for the entry of foreign vessels into its ports, rivers, harbors, or offshore terminals, such as a requirement that ships exchange ballast water beyond 200 nautical miles from shore or a requirement that tank vessels carrying oil be constructed with double hulls.

(14) The United States understands, with respect to article 21(2), that measures applying to the ''design, construction, equipment or manning'' do not include, inter alia, measures such as traffic separation schemes, ship routing measures, speed limits, quantitative restrictions on discharge of substances, restrictions on the discharge and/or uptake of ballast water, reporting requirements, and record-keeping requirements.

(15) The United States understands that the Convention supports a coastal State's exercise of its domestic authority to regulate discharges into the marine environment resulting from industrial operations on board a foreign vessel.

(16) The United States understands that the Convention supports a coastal State's exercise of its domestic authority to regulate the introduction into the marine environment of alien or new species.

(17) The United States understands that, with respect to articles 61 and 62, a coastal State has the exclusive right to determine the allowable catch of the living resources in its exclusive economic zone, whether it has the capacity to harvest the entire allowable catch, whether any surplus exists for allocation to other States, and to establish the terms and conditions under which access may be granted. The United States further understands that such determinations are, by virtue of article 297(3)(a), not subject to binding dispute resolution under the Convention.

(18) The United States understands that article 65 of the Convention lent direct support to the establishment of the moratorium on commercial whaling, supports the creation of sanctuaries and other conservation measures, and requires States to cooperate not only with respect to large whales, but with respect to all cetaceans.

(19) The United States understands that, with respect to article 33, the term ''sanitary laws and regulations'' includes laws and regulations to protect human health from, inter alia, pathogens being introduced into the territorial sea.

(20) The United States understands that decisions of the Council pursuant to procedures other than those set forth in article 161(8)(d) will involve administrative, institutional, or procedural matters and will not result in substantive obligations on the United States.

(21) The United States understands that decisions of the Assembly under article 160(2)(e) to assess the contributions of members are to be taken pursuant to section 3(7) of the Annex to the Agreement and that the United States will, pursuant to section 9(3) of the Annex to the Agreement, be guaranteed a seat on the Finance Committee established by section 9(1) of the Annex to the Agreement, so long as the Authority supports itself through assessed contributions.

(22) The United States declares, pursuant to article 39 of Annex VI, that decisions of the Seabed Disputes Chamber shall be enforceable in the territory of the United States only in accordance with procedures established by implementing legislation and that such decisions shall be subject to such legal and factual review as is constitutionally required and without precedential effect in any court of the United States.

(23) The United States—

(A) understands that article 161(8)(f) applies to the Council's approval of amendments to section 4 of Annex VI;

(B) declares that, under that article, it intends to accept only a procedure that requires consensus for the adoption of amendments to section 4 of Annex VI; and

(C) in the case of an amendment to section 4 of Annex VI that is adopted contrary to this understanding, that is, by a procedure other than consensus, will consider itself bound by such an amendment only if it subsequently ratifies such amendment pursuant to the advice and consent of the Senate.

(24) The United States declares that, with the exception of articles 177–183, article 13 of Annex IV, and article 10 of Annex VI, the provisions of the Convention and the Agreement, including amendments thereto and rules, regulations, and procedures thereunder, are not self-executing.

SECTION 4. Conditions.

(a) IN GENERAL.—The advice and consent of the Senate under section 1 is subject to the following conditions:

(1) Not later than 15 days after the receipt by the Secretary of State of a written communication from the Secretary-General of

the United Nations or the Secretary-General of the Authority transmitting a proposal to amend the Convention pursuant to article 312, 313, or 314, the President shall submit to the Committee on Foreign Relations of the Senate a copy of the proposed amendment.

(2) Prior to the convening of a Conference to consider amendments to the Convention proposed to be adopted pursuant to article 312 of the Convention, the President shall consult with the Committee on Foreign Relations of the Senate on the amendments to be considered at the Conference. The President shall also consult with the Committee on Foreign Relations of the Senate on any amendment proposed to be adopted pursuant to article 313 of the Convention.

(3) Not later than 15 days prior to any meeting—

(A) of the Council of the International Seabed Authority to consider an amendment to the Convention proposed to be adopted pursuant to article 314 of the Convention; or

(B) of any other body under the Convention to consider an amendment that would enter into force pursuant to article 316(5) of the Convention; the President shall consult with the Committee on Foreign Relations of the Senate on the amendment and on whether the United States should object to its adoption.

(4) All amendments to the Convention, other than amendments under article 316(5) of a technical or administrative nature, shall be submitted by the President to the Senate for its advice and consent.

(5) The United States declares that it shall take all necessary steps under the Convention to ensure that amendments under article 316(5) are adopted in conformity with the treaty clause in Article II, section 2 of the United States Constitution.

(b) INCLUSION OF CERTAIN CONDITIONS IN INSTRUMENT OF RATIFICATION.—Conditions 4 and 5 shall be included in the United States instrument of ratification to the Convention.

EXECUTIVE REPORT OF COMMITTEE

The following executive report of a nomination was submitted:

By Mr. LIEBERMAN for the Committee on Homeland Security and Governmental Affairs. *Robert D. Jamison, of Virginia, to be an Under Secretary of Homeland Security.

*Nomination was reported with recommendation that it be confirmed subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

FINANCIAL DISCLOSURE

Mary Ann Glendon, of Massachusetts, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Holy See.

(The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.)

Nominee—Mary Ann Glendon.

Post—Ambassador to Holy See.

Contributions, Amount, Date, and Donee:

1. Self: Mary Ann Glendon, none.

2. Spouse: Edward R. Lev, none.

3. Children and Spouses: Sarah P. Hood, daughter, none; Darren Hood, son in law, none; Elizabeth Lev, daughter, none; Katherine Lev, daughter, $300, 2003 and 2004 (Est.), Congressman Stephen Lynch D-MASS.

4. Parents: Martin Glendon, deceased; Sarah Glendon, deceased.

5. Grandparents: Theodore Pomeroy, deceased; Julia Pomeroy, deceased; Martin Glendon, deceased; Mary Ann Glendon, deceased.

6. Brothers and Spouses: Martin Glendon, brother, Cynthia Glendon, sister in law, none; none.

7. Sisters and Spouses: Julia Glendon, none.

Charles W. Larson, Jr., of Iowa, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Latvia.

(The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.)

Nominee: Charles William Larson, Jr.

Post: U.S. Ambassador to Latvia.

Contributions, Amount, Date, and Donee:

1. Charles W. Larson, Jr., $1,200, 06/27/07 John McCain 2008; $1,200, 03/31/07, John McCain 2008; $500, 11/15/06, DCI PAC; $2,000, 09/30/03, Bush-Cheney '04; $250, 05/15/03, Grassley Committee; $300, 01/13/05, 55th Presidential Inaugural Committee; $300, 01/13/05, 55th Presidential Inaugural Committee.

2. Spouse: Jennifer E. Larson, none.

3. Children: Charles W. Larson, III, none; John-Henry C. Larson, none.

4. Parents: Charles W. Larson, father, $1,000, 03/26/03, Republican Party of IA; Ellen T. Larson, mother, $500, 07/25/05, Republican Party of IA; $75, 09/30/05, Republican Party of IA; $1,000, 01/26/04, Grassley Committee; $1,000, 01/26/04, Grassley Committee; $1,000, 03/26/03, Republican Party of IA; $2,000 07/07/03, Bush-Cheney '04; $100, 09/21/03, Thompson for Congress; $2,000, 12/29/03, Grassley for Senate.

5. Grandparents: Dorothy Hagner, grandmother, none; Arthur Hagner, grandfather, deceased.

6. Brothers and Spouses: none.

7. Sisters and Spouses; Carrie L. Graham, $500, 2007 calendar, Pfizer PAC; $500, 2006 calendar, Pfizer PAC; $500, 2005 calendar, Pfizer PAC; $500, 2004 calendar, Pfizer PAC; $500, 4/13/2004, Bush-Cheney '04; $1,000, 07/07/2003, Bush-Cheney '04; $500, 2002 calendar, Pfizer PAC; $500, 2002 calendar, Pfizer PAC; Andrew F. Graham, none.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. INHOFE:

S. 11. A bill to provide liability protection to volunteer pilot nonprofit organizations that fly for public benefit and to the pilots and staff of such nonprofit organizations, and for other purposes; to the Committee on the Judiciary.

By Mr. REID (for Mr. OBAMA):

S. 2519. A bill to prohibit the awarding of a contract or grant in excess of the simplified acquisition threshold unless the prospective contractor or grantee certifies in writing to the agency awarding the contract or grant that the contractor or grantee has no seriously delinquent tax debts, and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

By Mr. JOHNSON (for himself, Mr. SMITH, and Mr. DORGAN):

S. 2520. A bill to amend the Internal Revenue Code of 1986 to allow Indian tribal governments to transfer the credit for electricity produced from renewable resources; to the Committee on Finance.

By Mr. LIEBERMAN (for himself, Mr. SMITH, Mr. AKAKA, Mrs. BOXER, Mr. BROWN, Ms. CANTWELL, Mr. CARDIN, Mrs. CLINTON, Mr. DODD, Mr. DURBIN, Mr. FEINGOLD, Mr. KENNEDY, Mr. KERRY, Mr. LAUTENBERG, Mr. LEAHY, Mr. LEVIN, Mrs. MURRAY, Mr. OBAMA, Mr. SCHUMER, Mr. WHITEHOUSE, and Mr. WYDEN):

S. 2521. A bill to provide benefits to domestic partners of Federal employees; to the Committee on Homeland Security and Governmental Affairs.

By Mr. ROCKEFELLER (for himself, Mr. LIEBERMAN, and Mr. KERRY):

S. 2522. A bill to amend the Social Security Act to guarantee comprehensive health care coverage for all children born after 2008; to the Committee on Finance.

By Mr. KERRY (for himself, Ms. SNOWE, Mr. SANDERS, Mr. DOMENICI, Mr. SCHUMER, Ms. COLLINS, Mr. KENNEDY, and Mr. REED):

S. 2523. A bill to establish the National Affordable Housing Trust Fund in the Treasury of the United States to provide for the construction, rehabilitation, and preservation of decent, safe, and affordable housing for low-income families; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. REID (for Mrs. CLINTON):

S. 2524. A bill to improve the enforcement of the Davis-Bacon Act; to the Committee on Health, Education, Labor, and Pensions.

By Mr. MENENDEZ (for himself and Mr. DURBIN):

S. 2525. A bill to prevent health care facility-acquired infections; to the Committee on Health, Education, Labor, and Pensions.

By Mr. MENENDEZ (for himself, Mr. DURBIN, and Mr. KENNEDY):

S. 2526. A bill to protect health care workers and first responders, including police, fire-fighters, emergency medical personnel, and other workers at risk of workplace exposure to infectious agents and drug resistant infections, such as MRSA and pandemic influenza; to the Committee on Health, Education, Labor, and Pensions.

By Mr. FEINGOLD:

S. 2527. A bill to prohibit the obligation or expenditure of funds for the Osprey tiltrotor aircraft; to the Committee on Appropriations.

By Mr. MENENDEZ:

S. 2528. A bill to authorize guarantees for bonds and notes issued for community or economic development purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. MENENDEZ (for himself and Mr. BAYH):

S. 2529. A bill to improve disclosures for charitable giving, protect charities, inform consumers, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. REID (for himself and Mr. BAUCUS):

S. 2530. A bill entitled the ''Federal Aviation Administration Extension Act of 2007''; to the Committee on Commerce, Science, and Transportation.

By Mr. MCCONNELL (for himself and Mr. BUNNING):

S. 2531. A bill to amend the Tariff Act of 1930 to revise the antidumping duties and countervailing duties relating to the production of low-enriched uranium, and for other purposes; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. HAGEL (for himself, Mr. LUGAR, and Ms. MURKOWSKI):

S. Res. 417. A resolution expressing the sense of the Senate that the United States should expand trade opportunities with Mongolia and initiate negotiations to enter into a free trade agreement with Mongolia; to the Committee on Finance.

By Mr. BIDEN:

S. Res. 418. A resolution expressing the sense of the Senate regarding provocative and dangerous statements made by officials of the Government of the Russian Federation concerning the territorial integrity of the Republic of Georgia; to the Committee on Foreign Relations.

By Mr. REID (for Mrs. CLINTON):

S. Con. Res. 63. A concurrent resolution expressing the sense of the Congress regarding the need for additional research into the chronic neurological condition hydrocephalus, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. STEVENS (for himself and Ms. MURKOWSKI):

S. Con. Res. 64. A concurrent resolution commending the Alaksa Army National Guard for its service to the State of Alaska and the citizens of the United States; to the Committee on Armed Services.

ADDITIONAL COSPONSORS

S. 38

At the request of Mr. DOMENICI, the name of the Senator from Kansas (Mr. BROWNBACK) was added as a cosponsor of S. 38, a bill to require the Secretary of Veterans Affairs to establish a program for the provision of readjustment and mental health services to veterans who served in Operation Iraqi Freedom and Operation Enduring Freedom, and for other purposes.

S. 261

At the request of Ms. CANTWELL, the name of the Senator from Colorado (Mr. SALAZAR) was added as a cosponsor of S. 261, a bill to amend title 18, United States Code, to strengthen prohibitions against animal fighting, and for other purposes.

S. 329

At the request of Mr. CRAPO, the name of the Senator from Minnesota (Ms. KLOBUCHAR) was added as a cosponsor of S. 329, a bill to amend title XVIII of the Social Security Act to provide coverage for cardiac rehabilitation and pulmonary rehabilitation services.

S. 453

At the request of Mr. SCHUMER, the name of the Senator from New Jersey (Mr. MENENDEZ) was added as a cosponsor of S. 453, a bill to prohibit deceptive practices in Federal elections.

S. 596

At the request of Mr. GREGG, the name of the Senator from Minnesota (Mr. COLEMAN) was added as a cosponsor of S. 596, a bill to amend the Federal Food, Drug, and Cosmetic Act to provide for the regulation of Internet pharmacies.

S. 714

At the request of Mr. AKAKA, the name of the Senator from Rhode Island (Mr. REED) was added as a cosponsor of S. 714, a bill to amend the Animal Welfare Act to ensure that all dogs and cats used by research facilities are obtained legally.

S. 755

At the request of Mr. SCHUMER, the name of the Senator from Minnesota (Ms. KLOBUCHAR) was added as a cosponsor of S. 755, a bill to amend title XIX of the Social Security Act to require States to provide diabetes screening tests under the Medicaid program for adult enrollees with diabetes risk factors, to ensure that States offer a comprehensive package of benefits under that program for individuals with diabetes, and for other purposes.

S. 860

At the request of Mr. SMITH, the name of the Senator from Minnesota (Ms. KLOBUCHAR) was added as a cosponsor of S. 860, a bill to amend title XIX of the Social Security Act to permit States the option to provide Medicaid coverage for low-income individuals infected with HIV.

S. 897

At the request of Ms. MIKULSKI, the name of the Senator from Minnesota (Ms. KLOBUCHAR) was added as a cosponsor of S. 897, a bill to amend the Internal Revenue Code of 1986 to provide more help to Alzheimer's disease caregivers.

S. 911

At the request of Mr. REED, the name of the Senator from Illinois (Mr. OBAMA) was added as a cosponsor of S. 911, a bill to amend the Public Health Service Act to advance medical research and treatments into pediatric cancers, ensure patients and families have access to the current treatments and information regarding pediatric cancers, establish a population-based national childhood cancer database, and promote public awareness of pediatric cancers.

S. 1141

At the request of Mr. BINGAMAN, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 1141, a bill to amend the Internal Revenue Code of 1986 to allow employees not covered by qualified retirement plans to save for retirement through automatic payroll deposit IRAs, to facilitate similar saving by the self-employed, and for other purposes.

S. 1310

At the request of Mr. SCHUMER, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 1310, a bill to amend title XVIII of the Social Security Act to provide for an extension of increased payments for ground ambulance services under the Medicare program.

S. 1466

At the request of Mr. DODD, the name of the Senator from New Jersey (Mr. MENENDEZ) was added as a cosponsor of S. 1466, a bill to amend the Internal Revenue Code of 1986 to exclude property tax rebates and other benefits provided to volunteer firefighters, search and rescue personnel, and emergency medical responders from income and employment taxes and wage withholding.

S. 1593

At the request of Mr. BAYH, his name was added as a cosponsor of S. 1593, a bill to amend the Internal Revenue Code of 1986 to provide tax relief and protections to military personnel, and for other purposes.

S. 1661

At the request of Mr. DORGAN, the names of the Senator from West Virginia (Mr. ROCKEFELLER) and the Senator from New York (Mrs. CLINTON) were added as cosponsors of S. 1661, a bill to communicate United States travel policies and improve marketing and other activities designed to increase travel in the United States from abroad.

S. 1771

At the request of Mr. PRYOR, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of S. 1771, a bill to increase the safety of swimming pools and spas by requiring the use of proper anti-entrapment drain covers and pool and spa drainage systems, to educate the public about pool and spa safety, and for other purposes.

S. 1981

At the request of Mr. REED, the name of the Senator from Colorado (Mr. SALAZAR) was added as a cosponsor of S. 1981, a bill to amend the Elementary and Secondary Education Act of 1965 regarding environmental education, and for other purposes.

S. 2042

At the request of Ms. STABENOW, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 2042, a bill to authorize the Secretary of Health and Human Services to conduct activities to rapidly advance treatments for spinal muscular atrophy, neuromuscular disease, and other pediatric diseases, and for other purposes.

S. 2058

At the request of Mr. LEVIN, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 2058, a bill to amend the Commodity Exchange Act to close the Enron loophole, prevent price manipulation and excessive speculation in the trading of energy commodities, and for other purposes.

S. 2059

At the request of Mrs. CLINTON, the names of the Senator from Alaska (Ms. MURKOWSKI) and the Senator from Minnesota (Mr. COLEMAN) were added as cosponsors of S. 2059, a bill to amend the Family and Medical Leave Act of 1993 to clarify the eligibility requirements with respect to airline flight crews.

S. 2119

At the request of Mr. JOHNSON, the name of the Senator from New Hampshire (Mr. SUNUNU) was added as a cosponsor of S. 2119, a bill to require the

Secretary of the Treasury to mint coins in commemoration of veterans who became disabled for life while serving in the Armed Forces of the United States.

S. 2209

At the request of Mr. HATCH, the name of the Senator from Colorado (Mr. ALLARD) was added as a cosponsor of S. 2209, a bill to amend the Internal Revenue Code of 1986 to provide incentives to improve America's research competitiveness, and for other purposes.

S. 2279

At the request of Mr. BIDEN, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of S. 2279, a bill to combat international violence against women and girls.

S. 2324

At the request of Mrs. MCCASKILL, the name of the Senator from Iowa (Mr. GRASSLEY) was added as a cosponsor of S. 2324, a bill to amend the Inspector General Act of 1978 (5 U.S.C. App.) to enhance the Offices of the Inspectors General, to create a Council of the Inspectors General on Integrity and Efficiency, and for other purposes.

S. 2332

At the request of Mr. DORGAN, the name of the Senator from Tennessee (Mr. CORKER) was added as a cosponsor of S. 2332, a bill to promote transparency in the adoption of new media ownership rules by the Federal Communications Commission, and to establish an independent panel to make recommendations on how to increase the representation of women and minorities in broadcast media ownership.

S. 2425

At the request of Mrs. HUTCHISON, the names of the Senator from Michigan (Ms. STABENOW) and the Senator from California (Mrs. BOXER) were added as cosponsors of S. 2425, a bill to require the Secretary of Transportation and the Secretary of Commerce to submit reports to Congress on the commercial and passenger vehicle traffic at certain points of entry, and for other purposes.

S. 2431

At the request of Mr. BROWN, the names of the Senator from Pennsylvania (Mr. CASEY), the Senator from Connecticut (Mr. DODD) and the Senator from Arkansas (Mrs. LINCOLN) were added as cosponsors of S. 2431, a bill to address emergency shortages in food banks.

S. 2478

At the request of Mr. SUNUNU, the name of the Senator from Ohio (Mr. BROWN) was added as a cosponsor of S. 2478, a bill to designate the facility of the United States Postal Service located at 59 Colby Corner in East Hampstead, New Hampshire, as the ''Captain Jonathan D. Grassbaugh Post Office''.

S. 2510

At the request of Ms. LANDRIEU, the name of the Senator from Minnesota (Ms. KLOBUCHAR) was added as a cosponsor of S. 2510, a bill to amend the Public Health Service Act to provide revised standards for quality assurance in screening and evaluation of gynecologic cytology preparations, and for other purposes.

S. RES. 389

At the request of Mr. BARRASSO, his name was added as a cosponsor of S. Res. 389, a resolution commemorating the 25th Anniversary of the United States Air Force Space Command headquartered at Peterson Air Force Base, Colorado.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. INHOFE:

S. 11. A bill to provide liability protection to volunteer pilot nonprofit organizations that fly for public benefit and to the pilots and staff of such nonprofit organizations, and for other purposes; to the Committee on the Judiciary.

Mr. INHOFE. Mr. President, as one of the Senate's commercially licensed pilots, I rise to talk about an issue near and dear to my heart—flying. As many in this Chamber know, I love flying and have flown thousands of hours, attended the well-known AirVenture aviation event in Oshkosh, Wisconsin, each year, and even recreated Wiley Post's trip around the world. I have received notable recognition for this beloved hobby.

Today, I am here to acknowledge a group of people who share my love of flying—volunteer pilots. Non-profit, charitable associations called Volunteer Pilot Organizations, VPOs, provide the resources to help these self-sacrificing men and women serve people in need.

There are approximately 40 to 50 VPO's in the United States ranging from small, local groups to large, national associations. Air Charity Network, ACN, is the Nation's largest VPO and has seven member organizations that collectively serve the entire country and perform about 90 percent of all charitable aviation missions in the U.S. ACN's volunteer pilots provide free air transportation for people in need of specialized medical treatment at distant locations due to family, community or national crises. They also step in when commercial air service is not available with middle-of-the-night organ transplant patient flights, disaster response missions evacuating special needs patients, and transport of blood or blood products in emergencies.

ACN and its more than 8,000 volunteer pilots use their own planes, pay for their own fuel, and even take time from their ''day'' jobs to serve people in need. These Good Samaritans will provide charitable flights for an estimated 24,000 patients this year alone and their safety record is phenomenal. In their more than 30 years of service, the pilots of ACN have flown over 250,000 missions covering over 80 million miles and have never had a fatal accident.

Following the September 11 terrorist attacks, ACN aircraft were the first to be approved to fly in disaster-response teams and supplies. Similarly, in 2005, ACN pilots flew over 2,600 missions after Hurricanes Katrina and Rita, reuniting families torn apart by the disaster and relocating them to safe housing. Their service was invaluable to the thousands of people they saved during these national crises.

Despite this goodwill, there is a loophole in the law that subjects these heroes and charitable organizations to frivolous, costly lawsuits. Currently, although volunteer pilots are required to carry liability insurance, if they have an accident, the injured party can sue for any amount of money—the sky is the limit. It would be up to a jury to decide on an amount. If that amount is higher than the liability limit on a pilot's insurance, then the pilot is at risk of losing their personal investments, home, business and other assets, potentially bringing them financial ruin.

Additionally, the cost of insurance and lack of available non-owned aircraft liability insurance for organizations since the terrorist attacks of September 11 prevents VPOs from acquiring liability protection for their organizations, boards, and staff. Without this insurance, if a volunteer pilot were to have an accident using his or her own aircraft, everyone connected to the organization could be subject to a costly lawsuit, despite the fact that none of those people were directly involved with the dispatch of the flight, the pilot's decisions, or the aircraft itself.

Exposure to this type of risk makes it difficult for these organizations to recruit and retain volunteer pilots and professional staff. It also makes referring medical professionals such as hospitals, doctors, nurses, social workers, and disaster agencies like the American Red Cross, less likely to tell patients or evacuees that charitable medical air transportation is available for fear of a liability suit against them. Instead of focusing on serving people with medical needs, these organizations are spending considerable time and resources averting a lawsuit and recruiting volunteers.

This is why today I am introducing the Volunteer Pilot Organization Protection Act of 2007, which I cosponsored in the last two Congresses, to help close this costly loophole. My bill amends the Volunteer Protection Act of 1997, VPA, which was intended to increase volunteerism in the United States, to include groups such as ACN and the American Red Cross in the list of types of organizations that are currently exempt from liability. More specifically, it will protect volunteer pilot organizations, their boards, paid staff and non-flying volunteers from liability should there be an accident. It will also provide liability protection for individual volunteer pilots over and above the liability insurance that they are currently required to carry, as well

as liability protection for the referring agencies who inform their patients of charitable flight services.

Similar legislation was introduced in the Senate in the past several Congresses and passed overwhelmingly in the House in the 108th Congress by a vote of 385–12 and by voice vote in the 109th Congress. Clearly, the Volunteer Pilot Organization Protection Act has significant support. The companion version, H.R. 2191, was introduced in May by my colleague, Congresswoman THELMA DRAKE, with ten original, bipartisan cosponsors.

My bill will go a long way to help eliminate unnecessary liability risk and allow volunteer pilots and the charitable organizations for which they fly to concentrate on what they do best—save lives. Please join me in supporting the Volunteer Pilot Organization Protection Act of 2007.

By Mr. LIEBERMAN (for himself, Mr. SMITH, Mr. AKAKA, Mrs. BOXER, Mr. BROWN, Ms. CANTWELL, Mr. CARDIN, Mrs. CLINTON, Mr. DODD, Mr. DURBIN, Mr. FEINGOLD, Mr. KENNEDY, Mr. KERRY, Mr. LAUTENBERG, Mr. LEAHY, Mr. LEVIN, Mrs. MURRAY, Mr. OBAMA, Mr. SCHUMER, Mr. WHITEHOUSE, and Mr. WYDEN):

S. 2521. A bill to provide benefits to domestic partners of Federal employees; to the Committee on Homeland Security and Governmental Affairs.

Mr. LIEBERMAN. Mr. President, I rise to urge my colleagues to support the domestic Partnership Benefits and Obligations Act of 2007, which my good friend from the other side of the aisle, Senator SMITH, and I introduced last Congress and are introducing again today, along with 19 other cosponsors.

This legislation is another step in the process to make the Federal Government more competitive in an ever-changing business world. It would require the Government to extend employee benefit programs to the same-sex domestic partners of Federal employees. It is sound public policy and it makes excellent business sense.

Under our bill, Federal employee and the employee's domestic partner would be eligible to participate in health benefits, Family and Medical Leave, long-term care, Federal retirement benefits, and other benefits to the same extent that married employees and their spouses participate. Employees and their partners would also assume the same obligations that apply to married employees and their spouses, such as anti-nepotism rules and financial disclosure requirements.

The Federal Government is our Nation's largest employer and should lead other employers, rather than lagging behind, in the quest to provide equal and fair compensation and benefits to all employees. That thousands of Federal workers who have dedicated their careers to public service and who live in committed relationships with same-sex domestic partners receive fewer protections for their families than those married employees is patently unfair and, frankly, makes no economic sense.

Just ask the leaders of more than half of the Fortune 500 companies who already extend employee benefit programs to their employees' domestic partners. The fact is that most of America's major corporations now offer health benefits to employees' domestic partners, up from 25 percent in 2000. Overall, more than 9,700 private-sector companies provide available benefits to employees' domestic partners, as do several hundred State and local governments and colleges and universities.

General Electric, Chevron, Boeing, Texas Instruments, IBM, Raytheon, BP, Hospital Corporation of America, Lockheed Martin, Duke Energy Corp., and AT&T are among the major employers that have recognized the economic benefit of providing for domestic partners. The governments of 13 States—including, I might add, my home State of Connecticut—and about 145 local jurisdictions across the land, as well as multiple educational institutions, have joined the trend. They aren't all doing this just because it is the right thing to do. They are also doing it because it is good business policy.

Non-federal employers have told surveyors that they extend benefits to domestic partners to boost recruitment and retain quality employees—as well as to be fair. The Federal Government needs to compete against the private sector companies to recruit and retain the ''best and the brightest,'' to safeguard the Nation by serving in essential areas such as homeland security, national defense, and environmental protection and to help make sure that American taxpayers get their money's worth. The Government will always be at a definite disadvantage in competing for and retaining highly qualified personnel if it cannot match the domestic-partner benefits programs provided by leading non-federal employers.

Furthermore, coverage of domestic partners adds very little to the total cost of providing employee benefits. Based on the experience of private companies and State and local governments, the Congressional Budget Office has estimated that offering benefits to the same-sex domestic partners of Federal employees would increase the cost of those programs by less than ½ of 1 percent.

Our former ambassador to Romania and Dean of the Foreign Service Institute recently felt obliged to quit the Foreign Service because the State Department does not offer the kind of domestic partnership benefits that this bill would provide. Let me read a line from his farewell speech. He said, ''. . . I have felt compelled to choose between obligations to my partner—who is my family—and service to my country. That anyone should have to make that choice is a stain on the Secretary's leadership and a shame for this institution and our country.''

Those are powerful and poignant words, and it is a tragedy that a loyal and talented public servant—who described the Foreign Service as the career he was ''born for . . . what I was always meant to do''—felt he had to leave the Service because his Federal employee benefits would not enable him to adequately care for the needs of his family.

I call upon my colleagues to express their support for this important legislation. It is time for the Federal Government to catch up to the private sector, not just to set an example but so that it can compete for the most qualified employees and ensure that all of our public servants receive fair and equitable treatment. It makes good economic and policy senses. It is the right thing to do.

Mr. President, I ask unanimous consent that the text of the bill and a bill summary be printed in the RECORD.

S. 2521

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Domestic Partnership Benefits and Obligations Act of 2007''.

SEC. 2. BENEFITS TO DOMESTIC PARTNERS OF FEDERAL EMPLOYEES.

(a) IN GENERAL.—An employee who has a domestic partner and the domestic partner of the employee shall be entitled to benefits available to, and shall be subject to obligations imposed upon, a married employee and the spouse of the employee.

(b) CERTIFICATION OF ELIGIBILITY.—In order to obtain benefits and assume obligations under this Act, an employee shall file an affidavit of eligibility for benefits and obligations with the Office of Personnel Management identifying the domestic partner of the employee and certifying that the employee and the domestic partner of the employee—

(1) are each other's sole domestic partner and intend to remain so indefinitely;

(2) have a common residence, and intend to continue the arrangement;

(3) are at least 18 years of age and mentally competent to consent to contract;

(4) share responsibility for a significant measure of each other's common welfare and financial obligations;

(5) are not married to or domestic partners with anyone else;

(6) are same sex domestic partners, and not related in a way that, if the 2 were of opposite sex, would prohibit legal marriage in the State in which they reside; and

(7) understand that willful falsification of information within the affidavit may lead to disciplinary action and the recovery of the cost of benefits received related to such falsification and may constitute a criminal violation.

(c) DISSOLUTION OF PARTNERSHIP.—

(1) IN GENERAL.—An employee or domestic partner of an employee who obtains benefits under this Act shall file a statement of dissolution of the domestic partnership with the Office of Personnel Management not later than 30 days after the death of the employee or the domestic partner or the date of dissolution of the domestic partnership.

(2) DEATH OF EMPLOYEE.—In a case in which an employee dies, the domestic partner of

the employee at the time of death shall receive under this Act such benefits as would be received by the widow or widower of an employee.

(3) OTHER DISSOLUTION OF PARTNERSHIP.—

(A) IN GENERAL.—In a case in which a domestic partnership dissolves by a method other than death of the employee or domestic partner of the employee, any benefits received by the domestic partner as a result of this Act shall terminate.

(B) EXCEPTION.—In a case in which a domestic partnership dissolves by a method other than death of the employee or domestic partner of the employee, the former domestic partner of the employee shall be entitled to benefits available to, and shall be subject to obligations imposed upon, a former spouse.

(d) STEPCHILDREN.—For purposes of affording benefits under this Act, any natural or adopted child of a domestic partner of an employee shall be deemed a stepchild of the employee.

(e) CONFIDENTIALITY.—Any information submitted to the Office of Personnel Management under subsection (b) shall be used solely for the purpose of certifying an individual's eligibility for benefits under subsection (a).

(f) REGULATIONS AND ORDERS.—

(1) OFFICE OF PERSONNEL MANAGEMENT.—Not later than 6 months after the date of enactment of this Act, the Office of Personnel Management shall promulgate regulations to implement section 2 (b) and (c).

(2) OTHER EXECUTIVE BRANCH REGULATIONS.—Not later than 6 months after the date of enactment of this Act, the President or designees of the President shall promulgate regulations to implement this Act with respect to benefits and obligations administered by agencies or other entities of the executive branch.

(3) OTHER REGULATIONS AND ORDERS.—Not later than 6 months after the date of enactment of this Act, each agency or other entity or official not within the executive branch that administers a program providing benefits or imposing obligations shall promulgate regulations or orders to implement this Act with respect to the program.

(4) PROCEDURE.—Regulations and orders required under this subsection shall be promulgated after notice to interested persons and an opportunity for comment.

(g) DEFINITIONS.—In this Act:

(1) BENEFITS.—The term ''benefits'' means—

(A) health insurance and enhanced dental and vision benefits, as provided under chapters 89, 89A, and 89B of title 5, United States Code;

(B) retirement and disability benefits and plans, as provided under—

(i) chapters 83 and 84 of title 5, United States Code;

(ii) chapter 8 of the Foreign Service Act of 1980 (22 U.S.C. 4041 et seq.); and

(iii) the Central Intelligence Agency Retirement Act of 1964 for Certain Employees (50 U.S.C. chapter 38);

(C) family, medical, and emergency leave, as provided under—

(i) subchapters III, IV, and V of chapter 63 of title 5, United States Code;

(ii) the Family and Medical Leave Act of 1993 (29 U.S.C. 2601 et seq.), insofar as that Act applies to the Government Accountability Office and the Library of Congress;

(iii) section 202 of the Congressional Accountability Act of 1995 (2 U.S.C. 1312); and

(iv) section 412 of title 3, United States Code;

(D) Federal group life insurance, as provided under chapter 87 of title 5, United States Code;

(E) long-term care insurance, as provided under chapter 90 of title 5, United States Code;

(F) compensation for work injuries, as provided under chapter 81 of title 5, United States Code;

(G) benefits for disability, death, or captivity, as provided under—

(i) sections 5569 and 5570 of title 5, United States Code;

(ii) section 413 of the Foreign Service Act of 1980 (22 U.S.C. 3973);

(iii) part L of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796 et seq.), insofar as that part applies to any employee; and

(H) travel, transportation, and related payments and benefits, as provided under—

(i) chapter 57 of title 5, United States Code;

(ii) chapter 9 of the Foreign Service Act of 1980 (22 U.S.C. 4081 et seq.); and

(iii) section 1599b of title 10, United States Code; and

(I) any other benefit similar to a benefit described under subparagraphs (A) through (H) provided by or on behalf of the United States to any employee.

(2) DOMESTIC PARTNER.—The term ''domestic partner'' means an adult unmarried person living with another adult unmarried person of the same sex in a committed, intimate relationship.

(3) EMPLOYEE.—The term ''employee''—

(A) means an officer or employee of the United States or of any department, agency, or other entity of the United States, including the President of the United States, the Vice President of the United States, a Member of Congress, or a Federal judge; and

(B) shall not include a member of the uniformed services.

(4) OBLIGATIONS.—The term ''obligations'' means any duties or responsibilities with respect to Federal employment that would be incurred by a married employee or by the spouse of an employee.

(5) UNIFORMED SERVICES.—The term ''uniformed services'' has the meaning given under section 2101(3) of title 5, United States Code.

SEC. 3. EFFECTIVE DATE.

This Act including the amendments made by this Act shall—

(1) with respect to the provision of benefits and obligations, take effect 6 months after the date of enactment of this Act; and

(2) apply to any individual who is employed as an employee on or after the date of enactment of this Act.

DOMESTIC PARTNERSHIP BENEFITS AND OBLIGATIONS ACT OF 2007

SUMMARY

Under the Domestic Partnership Benefits and Obligations Act of 2007, federal employees who have same-sex domestic partners will be entitled to the same employment benefits that are available to married federal employees and their spouses. Federal employees and their domestic partners will also be subject to the same employment-related obligations that are imposed on married employees and their spouses.

In order to obtain benefits and assume obligations, an employee must file an affidavit of eligibility with the Office of Personnel Management (OPM). The employee must certify that the employee and the employee's same-sex domestic partner have a common residence, share responsibility for each other's welfare and financial responsibilities, are not related by blood, and are living together in a committed intimate relationship. They must also certify that, as each other's sole domestic partner, they intend to remain so indefinitely. If a domestic partnership dissolves, whether by death of the domestic partner or otherwise, the employee must file a statement of dissolution with OPM within 30 days.

Employees and their domestic partners will have the same benefits as married employees and their spouses under—

Employee health benefits.
Retirement and disability plans.
Family, medical, and emergency leave.
Group life insurance.
Long-term care insurance.
Compensation for work injuries.
Death, disability, and similar benefits.
Relocation, travel, and related expenses.

For purposes of these benefits, any natural or adopted child of the domestic partner will be treated as a stepchild of the employee.

The employee and the employee's domestic partner will also become subject to the same duties and responsibilities with respect to federal employment that apply to a married employee and the employee's spouse. These will include, for example, anti-nepotism rules and financial disclosure requirements.

The Act will apply with respect to those federal employees who are employed on the date of enactment or who become employed on or after that date.

Mr. SMITH. Mr. President, I am very pleased to join my colleague, Senator LIEBERMAN, today to introduce legislation that will entitle Federal employees with same-sex domestic partners to the same employment benefits that are available to married Federal employees and their spouses and families. Under the Domestic Partnership Benefits and Obligations Act of 2007, employees and their domestic partners would have similar access to employee health benefits, retirement, and disability plans, family medical and emergency leave, group life and long-term care insurance, compensation for work injuries, death and disability benefits, and relocation and travel expenses.

More and more American corporations, as well as State and local governments, are offering domestic partner benefits. Approximately half of Fortune 500 companies now offer health benefits to employees' domestic partners. That is up from 25 percent in 2000. In all, more than 9,700 private companies as well as several hundred State and local government and universities and colleges offer these benefits.

Private and governmental employers are offering domestic partner benefits for a variety of reasons. Chief among these reasons are recruitment and retention of employees. To be competitive, companies want to attract and retain the best and the brightest in the workforce regardless of their family status. Offering work-life benefits has been an important tool to retain valuable employees. In addition, more employers providing domestic partner benefits may result in a more stable workforce. If an employee's domestic partner has access to preventative health care, the employee is less likely to take prolonged absences from the job to care for their partner.

While all these reasons are meritorious, we introduced this legislation as a matter of equality. It is just the right thing to do. The Federal Government should lead by example and that should start with equal treatment of all employees.

Recently, a top State Department employee and former Ambassador to Romania, Michael Guest, announced his decision to leave Government service. At his retirement ceremony, Ambassador Guest stated, ''Most departing ambassadors use these events to talk about their successes . . . But I want to talk about my single failure, the failure that in fact is causing me to leave the career that I love.'' The failure which Mike spoke of was his inability to convince the Federal Government to extend employee benefits to same-sex couples. Because the Federal Government does not offer domestic partner benefits, Ambassador Guest explained that he ''felt compelled to choose between obligations to my partner—who is my family—and service to my country.''

This legislation will help to ensure that no other Federal employee, like Ambassador Guest, will be faced with a similar dilemma—that is, a choice between one's family or service to their country.

Mr. LEAHY. Mr. President, I am proud to cosponsor the Domestic Partnership Benefits and Obligations Act of 2007, being introduced today by Senators LIEBERMAN and SMITH. I cosponsored this legislation in the last Congress and I am pleased to do so again.

This important legislation would provide domestic partners of Federal employees the same protections and benefits afforded to spouses of Federal employees. These benefits, available for both same and opposite-sex domestic partners of Federal employees, would include participation in applicable retirement programs, compensation for work injuries and insurance benefits, including life, Family and Medical Leave and health insurance.

Equal pay for equal work is a cornerstone of our country's bedrock principles, and so too should equal access to important benefits. Insurance benefits, work incentives and retirement options comprise a significant portion of all employee compensation. By not offering domestic partnership benefits to its employees, the Federal government is unfairly withholding these valuable options from dedicated employees across the country.

The idea that benefits should be extended to same sex couples has become increasingly prevalent in America's largest and most successful companies, state and local governments, and in educational institutions. Over half of all Fortune 500 companies provide domestic partner benefits to their employees, up from just 25 percent in 2000. Offering domestic partnership benefits to Federal employees would improve the quality of its workforce, demonstrate its commitment to fairness and equality for all Americans, and bring the Government in line with some of the Nation's largest employers.

Providing benefits to domestic partners of Federal employees is long overdue. It is the right thing to do, it is the sensible step to take in the interest of having a fair and consistent policy, and I hope that the Senate will act quickly on this important legislation.

Mr. ROCKEFELLER (for himself, Mr. LIEBERMAN, and Mr. KERRY):

S. 2522. A bill to amend the Social Security Act to guarantee comprehensive health care coverage for all children born after 2008; to the Committee on Finance.

Mr. ROCKEFELLER. Mr. President, I rise today to introduce an important piece of legislation, the MediKids Health Insurance Act of 2007. This legislation will provide health insurance for every child in the U.S. by 2014, regardless of family income. My longtime friend from California, Congressman STARK, introduced companion legislation earlier this year in the House. He has worked tirelessly to improve access to health care for all Americans, and I am pleased to join him once again to advocate on behalf of America's children.

This past year, the majority in Congress made it clear that improving health care access for children was a priority. I proudly worked with my colleagues in a truly bipartisan fashion to reauthorize and expand the Children's Health Insurance Program, CHIP, to meet the serious health care needs of children in a very cost-effective manner. This legislation, which had the support of Democrats and Republicans in both chambers of Congress, would have maintained health insurance coverage for the over 6 million children currently enrolled and expanded health insurance coverage to an additional 4 million uninsured children. Unfortunately, the President, in vetoing this legislation not once, but twice, has shown the nation that providing health insurance to children is simply not a priority. I am outraged by the President's decision to veto this legislation multiple times, but I remain committed to making health insurance a reality for all children.

Congressman STARK and I have introduced our MediKids legislation in each of the last four Congresses because we know how vital health insurance is to a child. Children with untreated illnesses are more likely to miss school, leaving them at a disadvantage both in their health and education. Also, parents with sick children must miss work to care for them. These factors make it less likely uninsured children will move out of poverty and present significant barriers to becoming productive members of society. We can have a positive impact on our children's lives today, as well as tomorrow, by guaranteeing health insurance coverage for all. Children are inexpensive to insure, but the rewards for providing them with health care during their early education and development years are invaluable.

Despite the well-documented benefits of providing health insurance coverage for children, according to the Kaiser Family Foundation, there are still over 9 million uninsured children in America. We can and must do better. Our children are our future. No child in this country should ever be without access to health care. This is why I am proud to reintroduce the MediKids Health Insurance Act.

This legislation is a clear investment in our future—our children. Every child would be automatically enrolled at birth into a new, comprehensive federal safety net health insurance program beginning in 2009. The benefits would be tailored to meet the needs of children and would be similar to those currently avable to chldren through the Medicaid Early and Periodic Screening, Diagnosis, and Treatment, EPSDT, program. Families below 150 percent of poverty would pay no premiums or copayments, while those between 150 and 300 percent of poverty would pay graduated premiums up to 5 percent of income and a graduated refundable tax credit for cost sharing. Families above 300 percent of poverty would pay a small premium equivalent to ¼ of the average annual cost per child. There would be no cost sharing for preventive or well-child visits for any child.

MediKids children would remain enrolled in the program throughout childhood. When families move to another state, Medikids would be available until parents enroll their children in a new insurance program. Between jobs or during family crises, Medikids would offer extra security and ensure continuous health coverage to our Nation's children. During the critical period when a family climbs out of poverty and out of the eligibility range for means-tested assistance programs, MediKids would fill in the gaps as parents move into jobs that provide reliable health insurance coverage. Our program rests on the premise that whenever other sources of health insurance fail, MediKids would stand ready to cover the health needs of our next generation. Ultimately, every child in America would grow up with consistent, continuous health insurance coverage.

Like Medicare, MediKids would be independently financed, would cover benefits taylored to the needs of its target population, and would have the goal of achieving nearly 100 percent health insurance coverage for the children of this country just as Medicare has done for our Nation's seniors and individuals with disabilities throughout its more than 40-year history. When Congress created Medicare in 1965, seniors were more likely to be living in poverty than any other age group. Most were unable to afford needed medical services and unable to find health insurance in the market even if they could afford it. Today, it is our Nation's children who shoulder that burden of poverty.

Children in America are nearly twice as vulnerable to poverty as adults. It is time we make a significant investment

in the future of America by guaranteeing all children the health coverage they need to get a healthy start in life.

Congress cannot rest on the success we achieved by expanding Medicaid and passing the Children's Health Insurance Program. Although each was a remarkable step toward reducing the ranks of the uninsured, particularly uninsured children, we still have a long way to go, as is evidenced by the millions of children who are still uninsured.

It's long past time to rekindle the discussion about how to provide health insurance for all Americans. Americans have told us loud and clear that they want leadership in solving the health insurance crisis. The bill I am introducing today—the MediKids Health Insurance Act of 2007—is a comprehensive approach toward eliminating the irrational and tragic lack of health insurance for so many children in our country. I urge my colleagues to support this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 2522

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS; FINDINGS.

(a) SHORT TITLE.—This Act may be cited as the ''MediKids Health Insurance Act of 2007''.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

(c) FINDINGS.—Congress finds the following:

(1) More than 9 million American children are uninsured.

(2) Children who are uninsured receive less medical care and less preventive care and have a poorer level of health, which result in lifetime costs to themselves and to the entire American economy.

(3) Although SCHIP and Medicaid are successfully extending a health coverage safety net to a growing portion of the vulnerable low-income population of uninsured children, they alone cannot achieve 100 percent health insurance coverage for our nation's children due to inevitable gaps during outreach and enrollment, fluctuations in eligibility, variations in access to private insurance at all income levels, and variations in States' ability to provide required matching funds.

(4) As all segments of society continue to become more transient, with many changes in employment over the working lifetime of parents, the need for a reliable safety net of health insurance which follows children across State lines, already a major problem for the children of migrant and seasonal farmworkers, will become a major concern for all families in the United States.

(5) The medicare program has successfully evolved over the years to provide a stable, universal source of health insurance for the nation's disabled and those over age 65, and provides a tested model for designing a program to reach out to America's children.

(6) The problem of insuring 100 percent of all American children could be gradually solved by automatically enrolling all children born after December 31, 2008, in a program modeled after Medicare (and to be known as ''MediKids''), and allowing those children to be transferred into other equivalent or better insurance programs, including either private insurance, SCHIP, or Medicaid, if they are eligible to do so, but maintaining the child's default enrollment in MediKids for any times when the child's access to other sources of insurance is lost.

(7) A family's freedom of choice to use other insurers to cover children would not be interfered with in any way, and children eligible for SCHIP and Medicaid would continue to be enrolled in those programs, but the underlying safety net of MediKids would always be available to cover any gaps in insurance due to changes in medical condition, employment, income, or marital status, or other changes affecting a child's access to alternate forms of insurance.

(8) The MediKids program can be administered without impacting the finances or status of the existing Medicare program.

(9) The MediKids benefit package can be tailored to the special needs of children and updated over time.

(10) The financing of the program can be administered without difficulty by a yearly payment of affordable premiums through a family's tax filing (or adjustment of a family's earned income tax credit).

(11) The cost of the program will gradually rise as the number of children using MediKids as the insurer of last resort increases, and a future Congress always can accelerate or slow down the enrollment process as desired, while the societal costs for emergency room usage, lost productivity and work days, and poor health status for the next generation of Americans will decline.

(12) Over time 100 percent of American children will always have basic health insurance, and we can therefore expect a healthier, more equitable, and more productive society.

SEC. 2. BENEFITS FOR ALL CHILDREN BORN AFTER 2008.

(a) IN GENERAL.—The Social Security Act is amended by adding at the end the following new title:

''TITLE XXII—MEDIKIDS PROGRAM

''SEC. 2201. ELIGIBILITY.

''(a) ELIGIBILITY OF INDIVIDUALS BORN AFTER DECEMBER 31, 2008; ALL CHILDREN UNDER 23 YEARS OF AGE IN FIFTH YEAR.—An individual who meets the following requirements with respect to a month is eligible to enroll under this title with respect to such month:

''(1) AGE.—

''(A) FIRST YEAR.—As of the first day of the first year in which this title is effective, the individual has not attained 6 years of age.

''(B) SECOND YEAR.—As of the first day of the second year in which this title is effective, the individual has not attained 11 years of age.

''(C) THIRD YEAR.—As of the first day of the third year in which this title is effective, the individual has not attained 16 years of age.

''(D) FOURTH YEAR.—As of the first day of the fourth year in which this title is effective, the individual has not attained 21 years of age.

''(E) FIFTH AND SUBSEQUENT YEARS.—As of the first day of the fifth year in which this title is effective and each subsequent year, the individual has not attained 23 years of age.

''(2) CITIZENSHIP.—The individual is a citizen or national of the United States or is permanently residing in the United States under color of law.

''(b) ENROLLMENT PROCESS.—An individual may enroll in the program established under this title only in such manner and form as may be prescribed by regulations, and only during an enrollment period prescribed by the Secretary consistent with the provisions of this section. Such regulations shall provide a process under which—

''(1) individuals who are born in the United States after December 31, 2008, are deemed to be enrolled at the time of birth and a parent or guardian of such an individual is permitted to pre-enroll in the month prior to the expected month of birth;

''(2) individuals who are born outside the United States after such date and who become eligible to enroll by virtue of immigration into (or an adjustment of immigration status in) the United States are deemed enrolled at the time of entry or adjustment of status;

''(3) eligible individuals may otherwise be enrolled at such other times and manner as the Secretary shall specify, including the use of outstationed eligibility sites as described in section 1902(a)(55)(A) and the use of presumptive eligibility provisions like those described in section 1920A; and

''(4) at the time of automatic enrollment of a child, the Secretary provides for issuance to a parent or custodian of the individual a card evidencing coverage under this title and for a description of such coverage.

The provisions of section 1837(h) apply with respect to enrollment under this title in the same manner as they apply to enrollment under part B of title XVIII. An individual who is enrolled under this title is not eligible to be enrolled under an MA or MA–PD plan under part C of title XVIII.

''(c) DATE COVERAGE BEGINS.—

''(1) IN GENERAL.—The period during which an individual is entitled to benefits under this title shall begin as follows, but in no case earlier than January 1, 2009:

''(A) In the case of an individual who is enrolled under paragraph (1) or (2) of subsection (b), the date of birth or date of obtaining appropriate citizenship or immigration status, as the case may be.

''(B) In the case of another individual who enrolls (including pre-enrolls) before the month in which the individual satisfies eligibility for enrollment under subsection (a), the first day of such month of eligibility.

''(C) In the case of another individual who enrolls during or after the month in which the individual first satisfies eligibility for enrollment under such subsection, the first day of the following month.

''(2) AUTHORITY TO PROVIDE FOR PARTIAL MONTHS OF COVERAGE.—Under regulations, the Secretary may, in the Secretary's discretion, provide for coverage periods that include portions of a month in order to avoid lapses of coverage.

''(3) LIMITATION ON PAYMENTS.—No payments may be made under this title with respect to the expenses of an individual enrolled under this title unless such expenses were incurred by such individual during a period which, with respect to the individual, is a coverage period under this section.

''(d) EXPIRATION OF ELIGIBILITY.—An individual's coverage period under this section

shall continue until the individual's enrollment has been terminated because the individual no longer meets the requirements of subsection (a) (whether because of age or change in immigration status).

''(e) ENTITLEMENT TO MEDIKIDS BENEFITS FOR ENROLLED INDIVIDUALS.—An individual enrolled under this title is entitled to the benefits described in section 2202.

''(f) LOW-INCOME INFORMATION.—

''(1) INQUIRY OF INCOME.—At the time of enrollment of a child under this title, the Secretary shall make an inquiry as to whether the family income (as determined for purposes of section 1905(p)) of the family that includes the child is within any of the following income ranges:

''(A) UP TO 150 PERCENT OF POVERTY.—The income of the family does not exceed 150 percent of the poverty line for a family of the size involved.

''(B) BETWEEN 150 AND 200 PERCENT OF POVERTY.—The income of the family exceeds 150 percent, but does not exceed 200 percent, of such poverty line.

''(C) BETWEEN 200 AND 300 PERCENT OF POVERTY.—The income of the family exceeds 200 percent, but does not exceed 300 percent, of such poverty line.

''(2) CODING.—If the family income is within a range described in paragraph (1), the Secretary shall encode in the identification card issued in connection with eligibility under this title a code indicating the range applicable to the family of the child involved.

''(3) PROVIDER VERIFICATION THROUGH ELECTRONIC SYSTEM.—The Secretary also shall provide for an electronic system through which providers may verify which income range described in paragraph (1), if any, is applicable to the family of the child involved.

''(g) CONSTRUCTION.—Nothing in this title shall be construed as requiring (or preventing) an individual who is enrolled under this title from seeking medical assistance under a State medicaid plan under title XIX or child health assistance under a State child health plan under title XXI.

''SEC. 2202. BENEFITS.

''(a) SECRETARIAL SPECIFICATION OF BENEFIT PACKAGE.—

''(1) IN GENERAL.—The Secretary shall specify the benefits to be made available under this title consistent with the provisions of this section and in a manner designed to meet the health needs of enrollees.

''(2) UPDATING.—The Secretary shall update the specification of benefits over time to ensure the inclusion of age-appropriate benefits to reflect the enrollee population.

''(3) ANNUAL UPDATING.—The Secretary shall establish procedures for the annual review and updating of such benefits to account for changes in medical practice, new information from medical research, and other relevant developments in health science.

''(4) INPUT.—The Secretary shall seek the input of the pediatric community in specifying and updating such benefits.

''(5) LIMITATION ON UPDATING.—In no case shall updating of benefits under this subsection result in a failure to provide benefits required under subsection (b).

''(b) INCLUSION OF CERTAIN BENEFITS.—

''(1) MEDICARE CORE BENEFITS.—Such benefits shall include (to the extent consistent with other provisions of this section) at least the same benefits (including coverage, access, availability, duration, and beneficiary rights) that are available under parts A and B of title XVIII.

''(2) ALL REQUIRED MEDICAID BENEFITS.—Such benefits shall also include all items and services for which medical assistance is required to be provided under section 1902(a)(10)(A) to individuals described in such section, including early and periodic screening, diagnostic services, and treatment services.

''(3) INCLUSION OF PRESCRIPTION DRUGS.—Such benefits also shall include (as specified by the Secretary) benefits for prescription drugs and biologicals which are not less than the benefits for such drugs and biologicals under the standard option for the service benefit plan described in section 8903(1) of title 5, United States Code, offered during 2007.

''(4) COST-SHARING.—

''(A) IN GENERAL.—Subject to subparagraph (B), such benefits also shall include the cost-sharing (in the form of deductibles, coinsurance, and copayments) which is substantially similar to such cost-sharing under the health benefits coverage in any of the four largest health benefits plans (determined by enrollment) offered under chapter 89 of title 5, United States Code, and including an out-of-pocket limit for catastrophic expenditures for covered benefits, except that no cost-sharing shall be imposed with respect to early and periodic screening and diagnostic services included under paragraph (2).

''(B) REDUCED COST-SHARING FOR LOW INCOME CHILDREN.—Such benefits shall provide that—

''(i) there shall be no cost-sharing for children in families the income of which is within the range described in section 2201(f)(1)(A);

''(ii) the cost-sharing otherwise applicable shall be reduced by 75 percent for children in families the income of which is within the range described in section 2201(f)(1)(B); or

''(iii) the cost-sharing otherwise applicable shall be reduced by 50 percent for children in families the income of which is within the range described in section 2201(f)(1)(C).

''(C) CATASTROPHIC LIMIT ON COST-SHARING.—For a refundable credit for cost-sharing in the case of cost-sharing in excess of a percentage of the individual's adjusted gross income, see section 36 of the Internal Revenue Code of 1986.

''(c) PAYMENT SCHEDULE.—The Secretary, with the assistance of the Medicare Payment Advisory Commission, shall develop and implement a payment schedule for benefits covered under this title. To the extent feasible, such payment schedule shall be consistent with comparable payment schedules and reimbursement methodologies applied under parts A and B of title XVIII.

''(d) INPUT.—The Secretary shall specify such benefits and payment schedules only after obtaining input from appropriate child health providers and experts.

''(e) ENROLLMENT IN HEALTH PLANS.—The Secretary shall provide for the offering of benefits under this title through enrollment in a health benefit plan that meets the same (or similar) requirements as the requirements that apply to Medicare Advantage plans under part C of title XVIII (other than any such requirements that relate to part D of such title). In the case of individuals enrolled under this title in such a plan, the payment rate shall be based on payment rates provided for under section 1853(c) in effect before the date of the enactment of the Medicare Prescription Drug, Modernization, and Improvement Act of 2003 (Public Law 108–173), except that such payment rates shall be adjusted in an appropriate manner to reflect differences between the population served under this title and the population under title XVIII.

''SEC. 2203. PREMIUMS.

''(a) AMOUNT OF MONTHLY PREMIUMS.—

''(1) IN GENERAL.—The Secretary shall, during September of each year (beginning with 2008), establish a monthly MediKids premium for the following year. Subject to paragraph (2), the monthly MediKids premium for a year is equal to 1/12 of the annual premium rate computed under subsection (b).

''(2) ELIMINATION OF MONTHLY PREMIUM FOR DEMONSTRATION OF EQUIVALENT COVERAGE (INCLUDING COVERAGE UNDER LOW-INCOME PROGRAMS).—The amount of the monthly premium imposed under this section for an individual for a month shall be zero in the case of an individual who demonstrates to the satisfaction of the Secretary that the individual has basic health insurance coverage for that month. For purposes of the previous sentence enrollment in a medicaid plan under title XIX, a State child health insurance plan under title XXI, or under the medicare program under title XVIII is deemed to constitute basic health insurance coverage described in such sentence.

''(b) ANNUAL PREMIUM.—

''(1) NATIONAL PER CAPITA AVERAGE.—The Secretary shall estimate the average, annual per capita amount that would be payable under this title with respect to individuals residing in the United States who meet the requirement of section 2201(a)(1) as if all such individuals were eligible for (and enrolled) under this title during the entire year (and assuming that section 1862(b)(2)(A)(i) did not apply).

''(2) ANNUAL PREMIUM.—Subject to subsection (d), the annual premium under this subsection for months in a year is equal to 25 percent of the average, annual per capita amount estimated under paragraph (1) for the year.

''(c) PAYMENT OF MONTHLY PREMIUM.—

''(1) PERIOD OF PAYMENT.—In the case of an individual who participates in the program established by this title, subject to subsection (d), the monthly premium shall be payable for the period commencing with the first month of the individual's coverage period and ending with the month in which the individual's coverage under this title terminates.

''(2) COLLECTION THROUGH TAX RETURN.—For provisions providing for the payment of monthly premiums under this subsection, see section 59B of the Internal Revenue Code of 1986.

''(3) PROTECTIONS AGAINST FRAUD AND ABUSE.—The Secretary shall develop, in coordination with States and other health insurance issuers, administrative systems to ensure that claims which are submitted to more than one payor are coordinated and duplicate payments are not made.

''(d) REDUCTION IN PREMIUM FOR CERTAIN LOW-INCOME FAMILIES.—For provisions reducing the premium under this section for certain low-income families, see section 59B(d) of the Internal Revenue Code of 1986.

''SEC. 2204. MEDIKIDS TRUST FUND.

''(a) ESTABLISHMENT OF TRUST FUND.—

''(1) IN GENERAL.—There is hereby created on the books of the Treasury of the United States a trust fund to be known as the 'MediKids Trust Fund' (in this section referred to as the 'Trust Fund'). The Trust Fund shall consist of such gifts and bequests as may be made as provided in section 201(i)(1) and such amounts as may be deposited in, or appropriated to, such fund as provided in this title.

''(2) PREMIUMS.—Premiums collected under section 59B of the Internal Revenue Code of 1986 shall be periodically transferred to the Trust Fund.

''(3) TRANSITIONAL FUNDING BEFORE RECEIPT OF PREMIUMS.—In order to provide for funds in the Trust Fund to cover expenditures from the fund in advance of receipt of premiums under section 2203, there are transferred to the Trust Fund from the general fund of the United States Treasury such amounts as may be necessary.

''(b) INCORPORATION OF PROVISIONS.—

''(1) IN GENERAL.—Subject to paragraph (2), subsection (b) (other than the last sentence) and subsections (c) through (i) of section 1841 shall apply with respect to the Trust Fund and this title in the same manner as they apply with respect to the Federal Supplementary Medical Insurance Trust Fund and part B, respectively.

''(2) MISCELLANEOUS REFERENCES.—In applying provisions of section 1841 under paragraph (1)—

''(A) any reference in such section to 'this part' is construed to refer to title XXII;

''(B) any reference in section 1841(h) to section 1840(d) and in section 1841(i) to sections 1840(b)(1) and 1842(g) are deemed references to comparable authority exercised under this title;

''(C) payments may be made under section 1841(g) to the Trust Funds under sections 1817 and 1841 as reimbursement to such funds for payments they made for benefits provided under this title; and

''(D) the Board of Trustees of the MediKids Trust Fund shall be the same as the Board of Trustees of the Federal Supplementary Medical Insurance Trust Fund.

''SEC. 2205. OVERSIGHT AND ACCOUNTABILITY.

''(a) PERIODIC GAO REPORTS.—The Comptroller General of the United States shall periodically submit to Congress reports on the operation of the program under this title, including on the financing of coverage provided under this title.

''(b) PERIODIC MEDPAC REPORTS.—The Medicare Payment Advisory Commission shall periodically report to Congress concerning the program under this title.

''SEC. 2206. INCLUSION OF CARE COORDINATION SERVICES.

''(a) IN GENERAL.—

''(1) PROGRAM AUTHORITY.—The Secretary, beginning in 2009, may implement a care coordination services program in accordance with the provisions of this section under which, in appropriate circumstances, eligible individuals under section 2201 may elect to have health care services covered under this title managed and coordinated by a designated care coordinator.

''(2) ADMINISTRATION BY CONTRACT.—The Secretary may administer the program under this section through a contract with an appropriate program administrator.

''(3) COVERAGE.—Care coordination services furnished in accordance with this section shall be treated under this title as if they were included in the definition of medical and other health services under section 1861(s) and benefits shall be available under this title with respect to such services without the application of any deductible or coinsurance.

''(b) ELIGIBILITY CRITERIA; IDENTIFICATION AND NOTIFICATION OF ELIGIBLE INDIVIDUALS.—

''(1) INDIVIDUAL ELIGIBILITY CRITERIA.—The Secretary shall specify criteria to be used in making a determination as to whether an individual may appropriately be enrolled in the care coordination services program under this section, which shall include at least a finding by the Secretary that for cohorts of individuals with characteristics identified by the Secretary, professional management and coordination of care can reasonably be expected to improve processes or outcomes of health care and to reduce aggregate costs to the programs under this title.

''(2) PROCEDURES TO FACILITATE ENROLLMENT.—The Secretary shall develop and implement procedures designed to facilitate enrollment of eligible individuals in the program under this section.

''(c) ENROLLMENT OF INDIVIDUALS.—

''(1) SECRETARY'S DETERMINATION OF ELIGIBILITY.—The Secretary shall determine the eligibility for services under this section of individuals who are enrolled in the program under this section and who make application for such services in such form and manner as the Secretary may prescribe.

''(2) ENROLLMENT PERIOD.—

''(A) EFFECTIVE DATE AND DURATION.—Enrollment of an individual in the program under this section shall be effective as of the first day of the month following the month in which the Secretary approves the individual's application under paragraph (1), shall remain in effect for one month (or such longer period as the Secretary may specify), and shall be automatically renewed for additional periods, unless terminated in accordance with such procedures as the Secretary shall establish by regulation. Such procedures shall permit an individual to disenroll for cause at any time and without cause at re-enrollment intervals.

''(B) LIMITATION ON REENROLLMENT.—The Secretary may establish limits on an individual's eligibility to reenroll in the program under this section if the individual has disenrolled from the program more than once during a specified time period.

''(d) PROGRAM.—The care coordination services program under this section shall include the following elements:

''(1) BASIC CARE COORDINATION SERVICES.—

''(A) IN GENERAL.—Subject to the cost-effectiveness criteria specified in subsection (b)(1), except as otherwise provided in this section, enrolled individuals shall receive services described in section 1905(t)(1) and may receive additional items and services as described in subparagraph (B).

''(B) ADDITIONAL BENEFITS.—The Secretary may specify additional benefits for which payment would not otherwise be made under this title that may be available to individuals enrolled in the program under this section (subject to an assessment by the care coordinator of an individual's circumstance and need for such benefits) in order to encourage enrollment in, or to improve the effectiveness of, such program.

''(2) CARE COORDINATION REQUIREMENT.—Notwithstanding any other provision of this title, the Secretary may provide that an individual enrolled in the program under this section may be entitled to payment under this title for any specified health care items or services only if the items or services have been furnished by the care coordinator, or coordinated through the care coordination services program. Under such provision, the Secretary shall prescribe exceptions for emergency medical services as described in section 1852(d)(3), and other exceptions determined by the Secretary for the delivery of timely and needed care.

''(e) CARE COORDINATORS.—

''(1) CONDITIONS OF PARTICIPATION.—In order to be qualified to furnish care coordination services under this section, an individual or entity shall—

''(A) be a health care professional or entity (which may include physicians, physician group practices, or other health care professionals or entities the Secretary may find appropriate) meeting such conditions as the Secretary may specify;

''(B) have entered into a care coordination agreement; and

''(C) meet such criteria as the Secretary may establish (which may include experience in the provision of care coordination or primary care physician's services).

''(2) AGREEMENT TERM; PAYMENT.—

''(A) DURATION AND RENEWAL.—A care coordination agreement under this subsection shall be for one year and may be renewed if the Secretary is satisfied that the care coordinator continues to meet the conditions of participation specified in paragraph (1).

''(B) PAYMENT FOR SERVICES.—The Secretary may negotiate or otherwise establish payment terms and rates for services described in subsection (d)(1).

''(C) LIABILITY.—Care coordinators shall be subject to liability for actual health damages which may be suffered by recipients as a result of the care coordinator's decisions, failure or delay in making decisions, or other actions as a care coordinator.

''(D) TERMS.—In addition to such other terms as the Secretary may require, an agreement under this section shall include the terms specified in subparagraphs (A) through (C) of section 1905(t)(3).

''SEC. 2207. ADMINISTRATION AND MISCELLANEOUS.

''(a) IN GENERAL.—Except as otherwise provided in this title—

''(1) the Secretary shall enter into appropriate contracts with providers of services, other health care providers, carriers, and fiscal intermediaries, taking into account the types of contracts used under title XVIII with respect to such entities, to administer the program under this title;

''(2) beneficiary protections for individuals enrolled under this title shall not be less than the beneficiary protections (including limits on balance billing) provided medicare beneficiaries under title XVIII;

''(3) benefits described in section 2202 that are payable under this title to such individuals shall be paid in a manner specified by the Secretary (taking into account, and based to the greatest extent practicable upon, the manner in which they are provided under title XVIII); and

''(4) provider participation agreements under title XVIII shall apply to enrollees and benefits under this title in the same manner as they apply to enrollees and benefits under title XVIII.

''(b) COORDINATION WITH MEDICAID AND SCHIP.—Notwithstanding any other provision of law, individuals entitled to benefits for items and services under this title who also qualify for benefits under title XIX or XXI or any other Federally funded health care program that provides basic health insurance coverage described in section 2203(a)(2) may continue to qualify and obtain benefits under such other title or program, and in such case such an individual shall elect either—

''(1) such other title or program to be primary payor to benefits under this title, in which case no benefits shall be payable under this title and the monthly premium under section 2203 shall be zero; or

''(2) benefits under this title shall be primary payor to benefits provided under such title or program, in which case the Secretary shall enter into agreements with States as may be appropriate to provide that, in the case of such individuals, the benefits under titles XIX and XXI or such other program (including reduction of cost-sharing) are provided on a 'wrap-around' basis to the benefits under this title.''.

(b) CONFORMING AMENDMENTS TO SOCIAL SECURITY ACT PROVISIONS.—

(1) Section 201(i)(1) of the Social Security Act (42 U.S.C. 401(i)(1)) is amended by striking ''or the Federal Supplementary Medical Insurance Trust Fund'' and inserting ''the Federal Supplementary Medical Insurance Trust Fund, and the MediKids Trust Fund''.

(2) Section 201(g)(1)(A) of such Act (42 U.S.C. 401(g)(1)(A)) is amended by striking ''and the Federal Supplementary Medical Insurance Trust Fund established by title XVIII'' and inserting '', the Federal Supplementary Medical Insurance Trust Fund, and the MediKids Trust Fund established by title XVIII''.

(c) MAINTENANCE OF MEDICAID ELIGIBILITY AND BENEFITS FOR CHILDREN.—

(1) IN GENERAL.—In order for a State to continue to be eligible for payments under section 1903(a) of the Social Security Act (42 U.S.C. 1396b(a))—

(A) the State may not reduce standards of eligibility, or benefits, provided under its State medicaid plan under title XIX of the Social Security Act or under its State child health plan under title XXI of such Act for individuals under 23 years of age below such standards of eligibility, and benefits, in effect on the date of the enactment of this Act; and

(B) the State shall demonstrate to the satisfaction of the Secretary of Health and Human Services that any savings in State expenditures under title XIX or XXI of the Social Security Act that results from children enrolling under title XXII of such Act shall be used in a manner that improves services to beneficiaries under title XIX of such Act, such as through expansion of eligibility, improved nurse and nurse aide staffing and improved inspections of nursing facilities, and coverage of additional services.

(2) MEDIKIDS AS PRIMARY PAYOR.—In applying title XIX of the Social Security Act, the MediKids program under title XXII of such Act shall be treated as a primary payor in cases in which the election described in section 2207(b)(2) of such Act, as added by subsection (a), has been made.

(d) EXPANSION OF MEDPAC MEMBERSHIP TO 19.—

(1) IN GENERAL.—Section 1805(c) of the Social Security Act (42 U.S.C. 1395b–6(c)) is amended—

(A) in paragraph (1), by striking ''17'' and inserting ''19''; and

(B) in paragraph (2)(B), by inserting ''experts in children's health,'' after ''other health professionals,''.

(2) INITIAL TERMS OF ADDITIONAL MEMBERS.—

(A) IN GENERAL.—For purposes of staggering the initial terms of members of the Medicare Payment Advisory Commission under section 1805(c)(3) of the Social Security Act (42 U.S.C. 1395b–6(c)(3)), the initial terms of the 2 additional members of the Commission provided for by the amendment under subsection (a)(1) are as follows:

(i) One member shall be appointed for 1 year.

(ii) One member shall be appointed for 2 years.

(B) COMMENCEMENT OF TERMS.—Such terms shall begin on January 1, 2008.

(3) DUTIES.—Section 1805(b)(1)(A) of such Act (42 U.S.C. 1395b–6(b)(1)(A)) is amended by inserting before the semicolon at the end the following: ''and payment policies under title XXII''.

SEC. 3. MEDIKIDS PREMIUM.

(a) GENERAL RULE.—Subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to determination of tax liability) is amended by adding at the end the following new part:

''PART VIII—MEDIKIDS PREMIUM

''Sec. 59B. MediKids premium.

''SEC. 59B. MEDIKIDS PREMIUM.

''(a) IMPOSITION OF TAX.—In the case of a taxpayer to whom this section applies, there is hereby imposed (in addition to any other tax imposed by this subtitle) a MediKids premium for the taxable year.

''(b) INDIVIDUALS SUBJECT TO PREMIUM.—

''(1) IN GENERAL.—This section shall apply to a taxpayer if a MediKid is a dependent of the taxpayer for the taxable year.

''(2) MEDIKID.—For purposes of this section, the term 'MediKid' means any individual enrolled in the MediKids program under title XXII of the Social Security Act.

''(c) AMOUNT OF PREMIUM.—For purposes of this section, the MediKids premium for a taxable year is the sum of the monthly premiums (for months in the taxable year) determined under section 2203 of the Social Security Act with respect to each MediKid who is a dependent of the taxpayer for the taxable year.

''(d) EXCEPTIONS BASED ON ADJUSTED GROSS INCOME.—

''(1) EXEMPTION FOR VERY LOW-INCOME TAXPAYERS.—

''(A) IN GENERAL.—No premium shall be imposed by this section on any taxpayer having an adjusted gross income not in excess of the exemption amount.

''(B) EXEMPTION AMOUNT.—For purposes of this paragraph, the exemption amount is—

''(i) $20,535 in the case of a taxpayer having 1 MediKid,

''(ii) $25,755 in the case of a taxpayer having 2 MediKids,

''(iii) $30,975 in the case of a taxpayer having 3 MediKids, and

''(iv) $35,195 in the case of a taxpayer having 4 or more MediKids.

''(C) PHASEOUT OF EXEMPTION.—In the case of a taxpayer having an adjusted gross income which exceeds the exemption amount but does not exceed twice the exemption amount, the premium shall be the amount which bears the same ratio to the premium which would (but for this subparagraph) apply to the taxpayer as such excess bears to the exemption amount.

''(D) INFLATION ADJUSTMENT OF EXEMPTION AMOUNTS.—In the case of any taxable year beginning in a calendar year after 2009, each dollar amount contained in subparagraph (C) shall be increased by an amount equal to the product of—

''(i) such dollar amount, and

''(ii) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2008' for 'calendar year 1992' in subparagraph (B) thereof.

If any increase determined under the preceding sentence is not a multiple of $50, such increase shall be rounded to the nearest multiple of $50.

''(2) PREMIUM LIMITED TO 5 PERCENT OF ADJUSTED GROSS INCOME.—In no event shall any taxpayer be required to pay a premium under this section in excess of an amount equal to 5 percent of the taxpayer's adjusted gross income.

''(e) COORDINATION WITH OTHER PROVISIONS.—

''(1) NOT TREATED AS MEDICAL EXPENSE.—For purposes of this chapter, any premium paid under this section shall not be treated as expense for medical care.

''(2) NOT TREATED AS TAX FOR CERTAIN PURPOSES.—The premium paid under this section shall not be treated as a tax imposed by this chapter for purposes of determining—

''(A) the amount of any credit allowable under this chapter, or

''(B) the amount of the minimum tax imposed by section 55.

''(3) TREATMENT UNDER SUBTITLE F.—For purposes of subtitle F, the premium paid under this section shall be treated as if it were a tax imposed by section 1.''.

(b) TECHNICAL AMENDMENTS.—

(1) Subsection (a) of section 6012 of such Code is amended by inserting after paragraph (9) the following new paragraph:

''(10) Every individual liable for a premium under section 59B.''.

(2) The table of parts for subchapter A of chapter 1 of such Code is amended by adding at the end the following new item:

''PART VIII. MEDIKIDS PREMIUM''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to months beginning after December 2008, in taxable years ending after such date.

SEC. 4. REFUNDABLE CREDIT FOR CERTAIN COST-SHARING EXPENSES UNDER MEDIKIDS PROGRAM.

(a) IN GENERAL.—Subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to refundable credits) is amended by redesignating section 36 as section 37 and by inserting after section 35 the following new section:

''SEC. 36. CATASTROPHIC LIMIT ON COST-SHARING EXPENSES UNDER MEDIKIDS PROGRAM.

''(a) IN GENERAL.—In the case of a taxpayer who has a MediKid (as defined in section 59B) at any time during the taxable year, there shall be allowed as a credit against the tax imposed by this subtitle an amount equal to the excess of—

''(1) the amount paid by the taxpayer during the taxable year as cost-sharing under section 2202(b)(4) of the Social Security Act, over

''(2) 5 percent of the taxpayer's adjusted gross income for the taxable year.''.

(b) COORDINATION WITH OTHER PROVISIONS.—The excess described in subsection (a) shall not be taken into account in computing the amount allowable to the taxpayer as a deduction under section 162(l) or 213(a).

(c) TECHNICAL AMENDMENTS.—

(1) The table of sections for subpart C of part IV of subchapter A of chapter 1 of such Code is amended by redesignating the item relating to section 36 as an item relating to section 37 and by inserting before such item the following new item:

''Sec. 36. Catastrophic limit on cost-sharing expenses under MediKids program.''.

(2) Paragraph (2) of section 1324(b) of title 31, United States Code, is amended by inserting '', 36,'' after ''section 35''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2008.

SEC. 5. REPORT ON LONG-TERM REVENUES.

Within one year after the date of the enactment of this Act, the Secretary of the Treasury shall propose a gradual schedule of progressive tax changes to fund the program under title XXII of the Social Security Act, as the number of enrollees grows in the out-years.

By Mr. KERRY (for himself, Ms. SNOWE, Mr. SANDERS, Mr. DOMENICI, Mr. SCHUMER, Ms. COLLINS, Mr. KENNEDY, and Mr. REED):

S. 2523. A bill to establish the National Affordable Housing Trust Fund in the Treasury of the United States to provide for the construction, rehabilitation, and preservation of decent, safe, and affordable housing for low-income families; to the Committee on Banking, Housing, and Urban Affairs.

Mr. KERRY. Mr. President, while we are facing new difficulties in the mortgage and subprime markets, we cannot forget the ongoing and deepening crisis that affordable rental housing presents for our Nation. Long-term changes in the housing market have dramatically limited the availability of affordable rental housing across the country and have severely increased the cost of rental housing that remains. As a result, more and more families are forced to pay more than 50 percent of their income for housing. In 2005, a record 37.3 million households paid more than 30 percent of their income on housing costs, according to the Nation's Housing 2007 Report from the Joint Center

for Housing Studies at Harvard University. Approximately 17 million families paid more than half of their incomes on housing costs. This is unacceptable. Our Nation must act to ease this rental housing crisis by producing more affordable housing options.

We can no longer ignore the lack of affordable housing and the impact it is having on families and children around the country. I believe it is time for our Nation to take a new path—one that insures that all Americans, especially our poorest children, have the opportunity to live in decent and safe housing.

Housing construction is a critical part of our economy. Unfortunately, just yesterday the Commerce Department reported that construction of new homes dropped by 5.5 percent last month, the lowest level since April 1991. The overall construction decline left home building 24.2 percent below the level of activity a year ago. Residential construction has seen the largest share of job losses, more than 192,000 since March 2006.

The question is, what do we do today to face—and to finance—this mounting challenge?

In September 2000, I wrote and introduced the original National Affordable Housing Trust Fund legislation. Today, along with Senator SNOWE, I am again proposing to address the severe shortage of affordable housing by introducing legislation that will establish a National Affordable Housing Trust Fund and begin a rental housing production program.

The Affordable Housing Trust Fund that is established in this legislation would create a production program that will ensure 1.5 million new rental units are built over the next 10 years for extremely low-income families and working families. The goal is to create long-term affordable, mixed-income developments in areas with the greatest opportunities for low-income families. Sixty percent of Trust Fund assistance will be awarded to participating local jurisdictions. Forty percent of Trust Fund assistance will be awarded to States, Indian Tribes and insular areas. A proportionate amount of funds to the States must go to rural areas. If the total amount available for the Trust Fund is less than $2 billion, then there is a $750,000 minimum funding threshold for local jurisdictions.

All funding from the Trust Fund must be used for low-income families, defined as those families with incomes below 80 percent of the State or local median income. However, if the funding for the trust fund is less than $2 billion for any year, then the income ceiling is reduced to 60 percent of local median income.

The funding from the Trust Fund can be used for construction, rehabilitation, acquisition, preservation incentives, and operating assistance to ease the affordable housing crisis. Funds can also be used for downpayment and closing cost assistance by first time homebuyers.

The Trust Fund will be funded through amounts transferred from the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation under Title XIII of the Housing and Community Development Act of 1992. It will also be funded through any amounts appropriated under the authorization in the Expanding American Homeownership Act of 2007, relating to the use of FHA savings for an affordable housing grant program. Finally, the Trust Fund will be funded through any amounts as are or may be appropriated, transferred or credited to such fund under any other provisions of law.

The National Affordable Housing Trust Fund bill is cosponsored by a bipartisan group of Senators. Earlier this year, the House of Representatives passed legislation, introduced by House Financial Services Chairman BARNEY FRANK, to establish a National Affordable Housing Trust Fund by a 264–148 vote. It has been endorsed by more than 5,700 community organizations led by the National Low-Income Housing Coalition and including the National Association of Realtors, the National Association of Home Builders, Children's Defense Fund, U.S. Conference of Mayors, National Coalition for the Homeless, and others. I am pleased that Senator REED, within the Government Sponsored Enterprise Mission Improvement Act, included legislative language within the Affordable Housing Block Grant section to provide grants to an Affordable Housing Trust Fund.

Enacting the National Affordable Housing Trust Fund will help reverse the recent declines in housing jobs, starts, permits and construction in every State. It will help small businesses across the Nation continue to produce the jobs that are critical to our economic security today and in the future.

During this time of rising rents, increased housing costs, and the loss of affordable housing units, it is incomprehensible that we are not doing more to increase the amount of housing assistance available to working families. The need for affordable housing is severe. Many working families have been unable to keep up with the increase in housing costs. In 2005, one in seven households was considered to be ''severely housing cost burdened.''

For too many low-income families and their children, the cost of privately owned rental housing is simply out of reach. Today, working families in this country increasingly find themselves unable to afford housing. According to the National Low-Income Housing Coalition, in Massachusetts, the fair market rent for a two-bedroom apartment is almost $1,200 per month. In order to afford this apartment without paying more than 30 percent of income on housing, a household must earn over $47,000 per year. This means teachers, janitors, social workers, police officers and other full-time workers are having trouble affording even a modest two-bedroom apartment.

The cost of rental housing keeps going up. According to the Consumer Price Index, CPI, contract rents began to rise above the rate of inflation in 1997 and have continued every year since. Rental costs have outpaced renter income gains for households across the board. Low wage workers have been hardest hit by the increase in the cost of rental housing.

Because of the lack of affordable housing, too many families are forced to live in substandard living conditions putting their children at risk. Children living in substandard housing are more likely to experience violence, hunger, lead poisoning and to suffer from infectious diseases such as asthma. They are more likely to have difficulties learning and more likely to fall behind in school. Our Nation's children depend upon access to affordable rental housing.

At the same time the cost of rental housing has been increasing, there has been a significant decrease in the number of affordable rental housing units. According to Real Capital Analytics, the number of rentals in larger multifamily properties converted to for-sale units jumped from just a few thousand in 2003 to 235,000 in 2005. New construction of multifamily buildings intended for rental use dipped from 262,000 units in 2003 to 184,000 in 2006. Simultaneously, the number of renter households increased by 1.2 million. The decline in affordable rental units has already forced many working families eligible for Section 8 vouchers in Boston to live outside the city because there are no available rental housing units that accept vouchers.

The loss of affordable housing has exacerbated the housing crisis in this country, and the Federal Government must take action. We need to enact the National Affordable Housing Trust Fund to jumpstart the production of affordable housing in the U.S.

Decent housing, along with neighborhood and living environment, play enormous roles in shaping young lives. Federal housing assistance over the past generation has helped millions of low-income children across the Nation and has helped in developing stable home environments. However, changes in the housing market clearly show that we need to take additional steps to both produce and maintain affordable housing units. Otherwise, many more children and their families will live in substandard housing or will become homeless. These children are less likely to do well in school and less likely to be productive citizens. They deserve our best efforts and require our help.

I ask all Senators to support the National Affordable Housing Trust Fund Act.

By Mr. FEINGOLD:

S. 2527. A bill to prohibit the obligation or expenditure of funds for the Osprey tiltrotor aircraft; to the Committee on Appropriations.

Mr. FEINGOLD. Mr. President, today I am introducing legislation to rescind funds appropriated for the procurement of the V–22 and CV–22 Osprey. This aircraft has been the subject of significant controversy because of safety, technical, and cost problems. In 1991, then-Secretary DICK CHENEY tried to cancel the program altogether. I have long advocated for more extensive testing of the aircraft to evaluate design defects that render the Osprey unstable and technical problems that have already cost the lives of 30 servicemembers. New problems were discovered as recently as June 2007.

I appreciate that the military is in need of additional helicopters, particularly as a result of the high operational tempo in Iraq and Afghanistan. Given the fact that the Osprey costs significantly more than other aircraft that can meet the same need, I believe we should shift to a safer, more economic program.

This bill would rescind funds appropriated for the program through 2008. That includes $2.8 billion in previously appropriated but unobligated funds and $2.9 billion in funds appropriated for fiscal year 08. The Defense Department estimates it will spend an additional $28.6 billion to purchase a total of 458 Osprey through 2018. Ending this troubled program could produce savings of over $34.3 billion.

By Mr. MENENDEZ:

S. 2528. A bill to authorize guarantees for bonds and notes issued for community or economic development purposes; to the Committee on Banking, Housing, and Urban Affairs.

Mr. MENENDEZ. Mr. President, I rise today to introduce the Full Faith & Credit in Our Communities Act of 2007. Strong communities form the bedrock of a successful economy and ultimately, a healthy society. For communities to be strong and families to prosper, there must be economic opportunity. Economic opportunity, in turn, depends on access to capital. Unfortunately, many communities across our Nation lack this fundamental tool for financial prosperity and self-sufficiency.

We must provide economic opportunity not only today, but also lay the groundwork so that future generations can thrive and prosper, and we must do it in a way that fosters real and permanent change rather than short-term solutions. We cannot simply rely on short-term band aids that serve to only mask the vast inequalities in income and unacceptable levels of poverty that plague our Nation. We must invest in our Nation's future. We must close the wealth gaps that are growing wider each day in this country by investing in our citizens and closing the opportunity gap. We must invest in entrepreneurship, ownership, and economic growth—but we must do so in a fiscally responsible manner.

Federal resources are scarce. We must focus our efforts and invest in successful programs that give us the biggest bang for our buck. CDFIs have a history of prudently using scarce public funds to leverage additional private funding to finance emerging domestic markets. They are able to lend successfully in these markets in part because CDFIs build their borrowers' capacity by combining their financing with technical assistance such as homeownership counseling, entrepreneurial training, and financial literacy education. CDFIs finance small businesses, homeownership, affordable rental housing, childcare facilities, charter schools, and other needed development resources. About 1,000 CDFIs operating in the U.S. manage more than $25 billion in assets, providing much-needed financial services to low-income communities across the U.S.

Unfortunately, CDFIs have limited access to capital due to the relatively small size of, and lack of awareness about, their projects. This results in a hesitancy of Wall Street to invest in CDFIs, forcing them to rely largely on commercial banks which usually only offer short-term loans with high interest rates. Every dollar wasted on interest payments is another dollar lost to communities, making these additional costs a clear impediment to community development efforts.

This legislation would increase the length and decrease the cost of capital available to CDFIs by providing them access to the enormous financial power of Wall Street. It would accomplish this by allowing the Treasury Department to guarantee up to $1 billion per year in bonds issued by qualified CDFIs. These bonds would be sold on Wall Street with the proceeds going to CDFIs to finance a myriad of community and economic development projects such as job-training centers and health care clinics. Unlike many legislative proposals that often result in winners and losers, this legislation is a win-win for everyone involved. CDFIs will have access to much-needed, low-cost capital. Communities will benefit from an infusion of investments in community and economic development projects. And investors will have an opportunity to make sound, long-term investments.

Perhaps the best part of this legislation is that it should not end up costing the American taxpayer a single dollar. Since these bonds will be issued by CDFIs, they will be the ones responsible for honoring the bonds when they reach maturity. Considering the fact that CDFIs have very low loan default rates that are often below mainstream bank averages, the risk of insolvency is very low. To further mitigate this risk, CDFIs will be required to create a loan loss reserve fund, similar in nature, but much smaller in scope, to the FDIC.

In addition to providing low-cost capital to underserved communities, this legislation would require CDFIs to pay a portion of their savings to a subaccount of the Treasury Department's CDFI Fund. These funds will be used to provide technical and financial assistance grants to non-profits for community and economic development purposes. CDFIs can apply for these grants through a competitive application process with the requirement to match, dollar for dollar, Federal funds with private investment. According to the Treasury Department, for every Federal dollar of investment, CDFIs leverage $19 in non-federal funds. CDFIs use the ''seed capital'' from the Federal Government to attract private-sector capital, ensuring continued community investment well beyond the initial Federal funding.

A community isn't complete without places to shop and work, without affordable housing, without the prosperity that thriving businesses represent. My Full Faith & Credit in Our Communities Act will help CDFIs develop retail and commercial facilities, train and place neighborhood residents in jobs, and provide affordable housing across the country. This bill is essential for our people and communities most in need. Beyond the obvious tangible benefits, the Full Faith & Credit in Our Communities Act will provide our Nation's distressed communities with something all but lost in many: HOPE. Hope for a better future, a safe community, flourishing businesses, and a more prosperous future for generations to come.

In closing, I urge my colleagues to support the Full Faith & Credit in Our Communities Act to ensure that every American has access to the American Dream. With this bill, we can not only change lives and communities today, but for generations to come.

By Mr. REID (for himself and Mr. BAUCUS):

S. 2530. A bill entitled the ''Federal Aviation Administration Extension Act of 2007''; to the Committee on Commerce, Science, and Transportation.

Mr. REID. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 2530

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Federal Aviation Administration Extension Act of 2007''.

SEC. 2. EXTENSION OF AIRPORT IMPROVEMENT PROGRAM AND OTHER EXPIRING AUTHORITY.

(a) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—Section 48103 of title 49, United States Code, is amended—

(A) by striking ''and'' at the end of paragraph (3);

(B) by striking the period at the end of paragraph (4) and inserting ''; and''; and

(C) by inserting after paragraph (4) the following:

''(5) $1,837,500,000 for the 6-month period beginning October 1, 2007.''.

(2) OBLIGATION OF AMOUNTS.—Sums made available pursuant to the amendment made

by paragraph (1) may be obligated at any time through September 30, 2008, and shall remain available until expended.

(3) PROGRAM IMPLEMENTATION.—For purposes of calculating funding apportionments and meeting other requirements under sections 47114, 47115, 47116, and 47117 of title 49, United States Code, for the 6-month period beginning October 1, 2007, the Administrator of the Federal Aviation Administration shall—

(A) first calculate funding apportionments on an annualized basis as if the total amount available under section 48103 of such title for fiscal year 2008 were 3,675,000,000; and

(B) then reduce by 50 percent—

(i) all funding apportionments calculated under subparagraph (A); and

(ii) amounts available pursuant to sections 47117(b) and 47117(f)(2) of such title.

(b) PROJECT GRANT AUTHORITY.—Section 47104(c) of such title is amended by striking ''September 30, 2007, and inserting ''March 31, 2008,''.

(c) GOVERNMENT SHARE OF CERTAIN AIP COSTS.—Section 161 of Public Law 108–176 (49 U.S.C. 47109 note) is amended by striking ''in each of fiscal years 2004 through 2007'' and inserting ''in fiscal year 2008 before April 1, 2008''.

(d) ADJUSTMENT AUTHORITY.—Section 409(d) of Public Law 108–176 (49 U.S.C. 40101 note) is amended by striking ''2007.'' and inserting ''2008.''.

By Mr. MCCONNELL (for himself and Mr. BUNNING):

S. 2531. A bill to amend the Tariff Act of 1930 to revise the antidumping duties and countervailing duties relating to the production of low-enriched uranium, and for other purposes; to the Committee on Finance.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be placed in the RECORD, as follows:

S. 2531

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PRODUCTION OF LOW-ENRICHED URANIUM.

(a) ANTIDUMPING DUTY.—Section 731 of the Tariff Act of 1930 (19 U.S.C. 1673) is amended in the last sentence—

(1) by inserting ''(a)'' after ''includes''; and

(2) by inserting before the period at the end the following: '', and (b) any contract or transaction for the production of low-enriched uranium''.

(b) COUNTERVAILING DUTY.—Section 771 of that Act (19 U.S.C. 1677) is amended in paragraph (5) by adding at the end the following:

''(G) PURCHASE OF GOODS.—For purposes of subparagraphs (D)(iv) and (E)(iv) of this paragraph (5), the phrases 'purchasing goods' and 'goods are purchased' include a contract or transaction involving payment for the production of low-enriched uranium.''.

(c) APPLICATION TO PENDING PROCEEDINGS.—The amendments made by this section apply in all pending or resumed antidumping and countervailing duty proceedings, including investigations, and in all appeals that have not become final and conclusive as of the date of enactment of this Act.

(d) APPLICATION TO NAFTA COUNTRIES.—Pursuant to Article 1902 of the North American Free Trade Agreement and section 408 of the North American Free Trade Agreement Implementation Act (19 U.S.C. 3438), the amendments made by this section shall apply with respect to goods from NAFTA countries.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 417—EXPRESSING THE SENSE OF THE SENATE THAT THE UNITED STATES SHOULD EXPAND TRADE OPPORTUNITIES WITH MONGOLIA AND INITIATE NEGOTIATIONS TO ENTER INTO A FREE TRADE AGREEMENT WITH MONGOLIA

Mr. HAGEL (for himself, Mr. LUGAR, and Ms. MURKOWSKI) submitted the following resolution; which was referred to the Committee on Finance:

S. RES. 417

Whereas Mongolia declared an end to a 1-party Communist state in 1990 and embarked on democratic and free market reforms;

Whereas the free market reforms include adopting democratic electoral processes, enacting further political reform measures, privatizing state enterprises, lifting price controls, and improving fiscal discipline;

Whereas, since 1990, Mongolia has made progress to strengthen democratic governing institutions and protect individual rights;

Whereas the Department of State found in its 2006 Country Reports on Human Rights that Mongolia generally respects the human rights of its citizens, although concerns remain, including the treatment of prisoners, freedom of the press and information, due process, and trafficking in persons;

Whereas the Department of State found in its 2006 International Religious Freedom report that Mongolia generally respects freedom of religion, although some concerns remain;

Whereas Mongolia has been a member of the World Trade Organization since 1997, and a member of the International Monetary Fund, the World Bank, and the Asian Development Bank since 1991;

Whereas, in 1999, the United States extended permanent nondiscriminatory treatment (normal trade relations treatment) to the products of Mongolia;

Whereas Mongolia has provided strong and consistent support to the United States in the global war on terror, including support for United States military forces and, since May 2003, contributed peace keepers to Operation Iraqi Freedom, artillery trainers to Operation Enduring Freedom, and personnel to the United Nations peace-keeping operations in Kosovo and Sierra Leone;

Whereas the United States and Mongolia signed a bilateral Trade and Investment Framework Agreement in 2004;

Whereas Mongolia has expressed steadfast commitment to greater economic reforms, including a commitment to encourage and expand the role of the private sector, increase transparency, strengthen the rule of law, combat corruption, and comply with international standards for labor and intellectual property rights protection;

Whereas bilateral trade between the United States and Mongolia in 2005 was valued at more than $165,000,000;

Whereas, in November 2005, President George W. Bush became the first President of the United States to visit Mongolia, and on November 21, 2005, President Bush and President Enkhbayar issued a joint statement declaring that the 2 countries are committed to defining guiding principles and expanding the framework of the comprehensive partnership between the United States and Mongolia;

Whereas, on October 18, 2007, the Senate agreed to Senate Resolution 352, expressing the sense of the Senate regarding the 20th anniversary of the United States-Mongolia relations, and encouraged continued economic cooperation with Mongolia;

Whereas, on October 22, 2007, the United States and Mongolia signed a Millennium Challenge Corporation Compact Agreement;

Whereas, during the October 2007 visit of President Enkhbayar to Washington, D.C., the United States and Mongolia signed a Declaration of Principles for closer cooperation between the 2 countries, reiterating a commitment to expansion of development and long term cooperation in political, economic, trade, investment, educational, cultural, arts, scientific and technological, environmental, health, defense, security, humanitarian, and other fields; and

Whereas the United States and Mongolia would benefit from expanding and diversifying trade opportunities by reducing tariff and nontariff barriers to trade: Now, therefore, be it

Resolved, That it is the sense of the Senate that the United States should continue to work with Mongolia to expand bilateral trade opportunities and initiate negotiations to enter into a free trade agreement with Mongolia.

SENATE RESOLUTION 418—EXPRESSING THE SENSE OF THE SENATE REGARDING PROVOCATIVE AND DANGEROUS STATEMENTS MADE BY OFFICIALS OF THE GOVERNMENT OF THE RUSSIAN FEDERATION CONCERNING THE TERRITORIAL INTEGRITY OF THE REPUBLIC OF GEORGIA

Mr. BIDEN submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 418

Whereas, since 1993, the territorial integrity of the Republic of Georgia has been reaffirmed by the international community, international law, and 32 United Nations Security Council Resolutions;

Whereas the Republic of Georgia has pursued the peaceful resolution of territorial conflicts in the regions of Abkhazia and South Ossetia since the end of hostilities in 1993;

Whereas, by stating that the Russian Federation should diplomatically recognize Abkhazia and South Ossetia as independent states, certain officials of the Government of the Russian Federation have undermined the peace and security of those regions and the Republic of Georgia as a whole; and

Whereas the statements of those officials are incompatible with the role of the Russian Federation as one of the world's leading powers and are inconsistent with the commitments of the Russian Federation to international peacekeeping: Now, therefore, be it

Resolved, That the Senate—

(1) condemns recent statements by officials of the Government of the Russian Federation that the Russian Federation should recognize the regions of Abkhazia and South Ossetia as states independent of the Republic of Georgia as a violation of the sovereignty of the Republic of Georgia and the commitments of the Russian Federation to international peacekeeping;

(2) calls upon the Government of the Russian Federation to disavow these statements;

(3) affirms that the restoration of the territorial integrity of the Republic of Georgia is in the interest of all who seek peace and stability in the region; and

(4) urges all parties to the conflicts in the Republic of Georgia and governments around the world to eschew rhetoric that escalates tensions and undermines efforts to negotiate a settlement to the conflicts.

SENATE CONCURRENT RESOLUTION 63—EXPRESSING THE SENSE OF THE CONGRESS REGARDING THE NEED FOR ADDITIONAL RESEARCH INTO THE CHRONIC NEUROLOGICAL CONDITION HYDROCEPHALUS, AND FOR OTHER PURPOSES

Mr. REID (for Mrs. CLINTON) submitted the following concurrent resolution; which was referred to the Committee on Health, Education, Labor, and Pensions:

S. CON. RES. 63

Whereas hydrocephalus is a serious neurological condition, characterized by the abnormal buildup of cerebrospinal fluids in the ventricles of the brain;

Whereas there is no known cure for hydrocephalus;

Whereas hydrocephalus affects an estimated 1,000,000 Americans;

Whereas 1 or 2 in every 1,000 babies are born with hydrocephalus;

Whereas over 375,000 older Americans have hydrocephalus, which often goes undetected or is misdiagnosed as dementia, Alzheimer's disease, or Parkinson's disease;

Whereas, with appropriate diagnosis and treatment, people with hydrocephalus are able to live full and productive lives;

Whereas the standard treatment for hydrocephalus was developed in 1952, and carries multiple risks including shunt failure, infection, and overdrainage;

Whereas there are fewer than 10 centers in the United States specializing in the treatment of adults with normal pressure hydrocephalus;

Whereas, each year, the people of the United States spend in excess of $1,000,000,000 to treat hydrocephalus;

Whereas a September 2005 conference sponsored by 7 institutes of the National Institutes of Health—''Hydrocephalus: Myths, New Facts, Clear Directions''—resulted in efforts to initiate new, collaborative research and treatment efforts; and

Whereas the Hydrocephalus Association is one of the Nation's oldest and largest patient and research advocacy and support networks for individuals suffering from hydrocephalus: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That—

(1) Congress commends the Director of the National Institutes of Health for working with leading scientists and researchers to organize the first-ever National Institutes of Health conference on hydrocephalus; and

(2) it is the sense of Congress that—

(A) the Director of the National Institutes of Health should continue the current collaboration with respect to hydrocephalus among the National Eye Institute, the National Human Genome Research Institute, the National Institute of Biomedical Imaging and Bioengineering, the National Institute of Child Health and Human Development, the National Institute of Neurological Disorders and Stroke, the National Institute on Aging, and the Office of Rare Diseases;

(B) further research into the epidemiology, pathophysiology, disease burden, and improved treatment of hydrocephalus should be conducted or supported; and

(C) public awareness and professional education regarding hydrocephalus should increase through partnerships between the Federal Government and patient advocacy organizations.

SENATE CONCURRENT RESOLUTION 64—COMMENDING THE ALASKA ARMY NATIONAL GUARD FOR ITS SERVICE TO THE STATE OF ALASKA AND THE CITIZENS OF THE UNITED STATES

Mr. STEVENS (for himself and Ms. MURKOWSKI) submitted the following concurrent resolution; which was referred to the Committee on Armed Services:

S. CON. RES. 64

Whereas the 3rd Battalion, 297th Infantry of the Alaska Army National Guard deployment of almost 600 Alaskans was the largest deployment of the Alaska National Guard since World War II;

Whereas the Alaskans of the 3rd Battalion, 297th Infantry came from 80 different communities across Alaska;

Whereas the 3rd Battalion, 297th Infantry included 75 soldiers from New York, Mississippi, Illinois, Georgia and Puerto Rico;

Whereas the 586 soldiers of the 3rd Battalion, 297th Infantry were mobilized in July of 2006 and deployed to Camp Shelby, Mississippi;

Whereas the 3rd Battalion, 297th Infantry was deployed to Camp Navstar and Camp Buehring in Northern Kuwait;

Whereas the 3rd Battalion, 297th Infantry courageously performed route and perimeter security missions, mounted combat patrols and inspections and searches of vehicles going into Iraq from Kuwait, among other assignments;

Whereas the 3rd Battalion, 297th Infantry, over the course of 15 months in Kuwait and Iraq, inspected and searched over 30,000 semitrucks;

Whereas the 3rd Battalion, 297th Infantry designed all force protection plans in northern Kuwait;

Whereas the families of the members of the 3rd Battalion, 297th Infantry have provided unwavering support while waiting patiently for their loved ones to return;

Whereas the employers of members and family members of the 3rd Battalion, 297th Infantry have displayed patriotism over profit, by keeping positions saved for the returning soldiers and supporting the families during the difficult days of this long deployment, and these employers are great corporate citizens through their support of members of the Armed Forces and their family members;

Whereas the 3rd Battalion, 297th Infantry has performed admirably and courageously; gaining the gratitude and respect of Alaskans and all Americans; and

Whereas members of the 3rd Battalion, 297th Infantry received 7 Bronze Stars, 23 Meritorious Service Medals, 142 Army Commendations and more than 200 Army Achievement Medals for their outstanding service: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress—

(1) commends the 3rd Battalion, 297th Infantry of the Alaska Army National Guard upon its completion of deployment and brave service to the Commonwealth of Alaska and the citizens of the United States; and

(2) directs the Clerk of the House of Representatives to transmit a copy of this resolution to the Adjutant General of the Alaska National Guard for appropriate display.

AMENDMENTS SUBMITTED AND PROPOSED

SA 3884. Mr. REID (for Ms. CANTWELL (for herself and Ms. SNOWE)) proposed an amendment to the bill S. 924, to strengthen the United States Coast Guard's Integrated Deepwater Program.

SA 3885. Mr. REID (for Mr. KERRY) proposed an amendment to the bill S. 1784, to amend the Small Business Act to improve programs for veterans, and for other purposes.

SA 3886. Mr. REID (for Mr. COBURN) proposed an amendment to amendment SA 3885 proposed by Mr. REID (for Mr. KERRY) to the bill S. 1784, supra.

SA 3887. Mr. SCHUMER (for Mr. LEAHY (for himself and Mr. SCHUMER)) proposed an amendment to the bill H.R. 2640, to improve the National Instant Criminal Background Check System, and for other purposes.

SA 3888. Mr. SCHUMER (for Mr. BIDEN (for himself and Mr. MCCONNELL)) proposed an amendment to the bill H.R. 3890, of 2003 to impose import sanctions on Burmese gemstones, expand the number of individuals against whom the visa ban is applicable, expand the blocking of assets and other prohibited activities, and for other purposes.

SA 3889. Mr. SCHUMER (for Mr. BIDEN (for himself and Mr. MCCONNELL)) proposed an amendment to the bill H.R. 3890, supra.

SA 3890. Mr. REID (for Mr. BAUCUS) proposed an amendment to the bill H.R. 3997, to amend the Internal Revenue Code of 1986 to provide tax relief and protections for military personnel, and for other purposes.

SA 3891. Mr. REID (for Mr. KENNEDY (for himself, Mr. BAUCUS, Mr. GRASSLEY, and Mr. ENZI)) proposed an amendment to the bill S. 1974, to make technical corrections related to the Pension Protection Act of 2006.

SA 3892. Mr. REID (for Mr. LAUTENBERG) proposed an amendment to the bill H.R. 3432, to establish the Commission on the Abolition of the Transatlantic Slave Trade.

TEXT OF AMENDMENTS

SA 3884. Mr. REID (for Ms. CANTWELL (for herself and Ms. SNOWE)) proposed an amendment to the bill S. 924, to strengthen the United States Coast Guard's Integrated Deepwater Program; as follows:

On page 15, strike the matter between lines 15 and 16 and insert the following:

Sec. 1. Short title; table of contents.
Sec. 2. Procurement structure.
Sec. 3. Alternatives Analysis.
Sec. 4. Certification.
Sec. 5. Contract requirements.
Sec. 6. Improvements in Coast Guard management.
Sec. 7. Department of Defense Consultation.
Sec. 8. Procurement and report requirements.
Sec. 9. GAO review and recommendations.
Sec. 10. Inspector General review of Deepwater program.
Sec. 11. Definitions.

On page 16, line 2, insert ''more than 90 days'' after ''Program''.

On page 16, line 9, strike ''Act.'' and insert ''Act, unless otherwise excepted in accordance with the Competition in Contracting Act of 1984 and the Federal Acquisition Regulations.''

On page 16, line 17, insert ''that is 90 days after the date'' after ''date''.

On page 16, line 20, insert ''after the date that is 90 days after the date of enactment of this Act of, or in support'' after ''procurements''.

On page 16, strike line 21, and insert the following:

''(i) the HC–130J aircraft, the HH–65 aircraft, and the C4ISR system, and

On page 16, line 24, insert ''the date that is 90 days after'' after ''as of''.

On page 17, line 3, strike ''procurement'' and insert ''procurement, or in support,''.

On page 17, line 6, strike ''analysis of alternatives'' and insert ''alternatives analysis''.

On page 17, strike lines 8 and 9 and insert the following:

(i) the procurement is in accordance with the Competition in Contracting Act of 1984 and the Federal Acquisition Regulations;

On page 17, line 22, strike ''Coast Guard'' and insert ''Commandant''.

On page 17, line 22, insert ''subparagraph (B) or (C) of'' after ''under''.

On page 17, line 23, strike ''it'' and insert ''the Coast Guard''.

On page 17, beginning in line 24, strike ''transmit a report to'' and insert ''notify in writing''.

On page 18, beginning in line 2, strike ''notifying the Committees''.

On page 18, beginning in line 3, strike ''explaining the'' and insert ''shall provide a detailed''.

On page 18, line 12, strike ''entity'' and insert ''subcontractor''.

On page 18, line 23, strike ''justifications of FAR 6.3 are met.'' and insert ''procurement was awarded in a manner consistent with the Competition in Contracting Act of 1984 and the Federal Acquisition Regulations.''.

On page 18, after line 23, insert the following:

(d) RULE OF CONSTRUCTION.—The limitation in subsection (b)(1)(A) on the quantity and specific type of assets to which subsection (b) applies shall not be construed to apply to the modification of the number or type of any subsystems or other components of a vessel or aircraft described in subsection (b)(1)(B) or (C).

On page 19, strike line 1 and insert the following:

SEC. 3. ALTERNATIVES ANALYSIS.

On page 19, line 5, strike ''FAR'' and insert ''Federal Acquisition Regulations''.

On page 19, line 6 insert ''of a major asset'' after ''procurement''.

On page 19, line 7, insert ''after the date of enactment of this Act'' after ''Program''.

On page 19, line 8, strike ''analysis of alternatives'' and insert ''alternatives analysis''.

On page 19, beginning in line 12, strike ''analysis of alternatives'' and insert ''alternatives analysis''.

On page 19, line 14, strike ''an appropriate'' and insert ''a qualified''.

On page 20, line 1, strike ''analysis of alternatives'' and insert ''alternatives analysis''.

On page 20, line 15, strike ''and''.

On page 20, line 17, strike ''costs.'' and insert ''costs; and''

On page 20 between lines 17 and 18, insert the following:

(7) a business case of viable alternatives.

On page 20, line 19, strike ''analysis of alternatives'' and insert ''alternatives analysis''.

On page 20, line 22, strike ''analysis of alternatives'' and insert ''alternatives analysis''.

On page 21, between lines 2 and 3, insert the following:

(e) EXPERIMENTAL, TECHNICALLY IMMATURE SYSTEMS.—

(1) IN GENERAL.—No procurement of an experimental or technically immature major asset may be awarded under the Integrated Deepwater Program until an alternatives analysis has been conducted for such asset. The alternatives analysis shall include the same components as those set forth in subsection (c). In addition, the alternatives analysis shall also include—

(A) an examination of likely research and development costs and the levels of uncertainty associated with such estimated costs;

(B) an examination of likely production and deployment costs and the levels of uncertainty associated with such estimated costs;

(C) an examination of likely operating and support costs and the levels of uncertainty associated with such estimated costs;

(D) if they are likely to be significant, an examination of likely disposal costs and the levels of uncertainty associated with such estimated costs;

(E) an analysis of the risks to production cost, schedule, and life-cycle cost resulting from the experimental, technically immature nature of the systems under consideration; and

(F) such additional measures the Commandant determines to be necessary for appropriate evaluation of the asset.

(2) REPORT.—As soon as possible after an alternatives analysis pursuant to this subsection has been completed, the Commandant shall transmit a report that provides a detailed summary of the findings of the analysis, a plan for the procurements addressed in the analysis, and the schedule and costs for delivery of such procurements to the Senate Committee on Commerce, Justice, and Transportation and the House of Representatives Committee on Transportation and Infrastructure.

On page 22, line 7, strike ''deliver'' and insert ''delivery''.

On page 22, line 21, strike ''Guard—'' and insert ''Guard after the date of enactment of this Act—''.

On page 23, beginning in line 2, strike ''and any subsequent Government Accountability Office recommendations relevant to the contract terms issued before March 1, 2007,''.

On page 23, between lines 7 and 8, insert the following:

(2) addresses any subsequent Government Accountability Office recommendations that are issued at least 30 days prior to the execution of the contract, delivery order or task order when such recommendations are relevant to the contract terms;''.

On page 23, line 8, strike ''(2)'' and insert ''(3)''.

Beginning with line 13 on page 23, strike through line 9 on page 24 and insert the following:

(4) does not include—

(A) provisions that commit the Coast Guard without express written approval by the Coast Guard; or

(B) any provision allowing for equitable adjustment that differs from the Federal Acquisition Regulations;

(5) meets the requirements of the Coast Guard Major Systems Acquisition COMDTINST Manual 5000.10(series); and

(6) for any contract, contract modification, or award term extending the existing Integrated Deepwater Program contract term—

(A) is reviewed by, and addresses recommendations made by, the Under Secretary of Defense for Acquisition, Technology, and Logistics through the Defense Acquisition University in its Quick Look Study dated February 5, 2007; and

(B) does not include any minimum requirements for the purchase of a given or determinable number of specific assets.

On page 26, between lines 5 and 6, insert the following:

SEC. 7. DEPARTMENT OF DEFENSE CONSULTATION.

(a) IN GENERAL.—The Coast Guard shall make arrangements as appropriate with the Department of Defense for support in contracting and management of procurements under the Integrated Deepwater Program. The Coast Guard shall also seek opportunities to leverage off of Department of Defense contracts, and contracts of other appropriate agencies, to obtain the best possible price for Integrated Deepwater Program assets. No later than one year after the date of enactment of this Act, the Commandant of the Coast Guard shall provide a report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure on agreements and other arrangements concluded pursuant to this subsection.

(b) ASSESSMENT.—Within 180 days after the date of enactment of this Act, the Comptroller General shall transmit a report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure that—

(1) contains an assessment of current Coast Guard acquisition and management capabilities to manage procurements under or in support of the Integrated Deepwater Program;

(2) includes recommendations as to how the Coast Guard can improve its acquisition management, either through internal reforms or by seeking acquisition expertise from the Department of Defense; and

(3) addresses specifically the question of whether the Coast Guard can better leverage Department of Defense or other agencies' contracts that would meet the needs of the Integrated Deepwater Program in order to obtain the best possible price.

Beginning with line 6 on page 26, strike through line 18 on page 27, and insert the following:

SEC. 8. PROCUREMENT AND REPORT REQUIREMENTS.

(a) PROCUREMENT SCHEDULES.—

(1) BUDGET JUSTIFICATION DOCUMENTS.—Each calendar year, not later than 45 days after the President submits the budget to Congress under section 1105 of title 31, United States Code, the Commandant shall submit to Congress budget justification documents regarding development and procurement schedules for each asset of the Integrated Deepwater Program for which any funds for procurement are requested in that budget.

(2) REQUIRED DOCUMENTS.—The budget justification documents required to be submitted under paragraph (1) for each asset for which funds for procurement are requested in the budget include—

(A) the development schedule for each asset and asset class, including estimated annual costs until development is completed;

(B) the procurement schedule for each asset and asset class, including estimated annual costs and units to be procured until procurement is completed;

(C) any variances in schedule or cost from the schedule and costs described in the plan submitted under section 3(d); and

(D) a projection of the remaining operational lifespan of each legacy asset and projected costs for sustaining such assets.

(b) QUARTERLY STATUS UPDATE.—The Commandant shall provide an update on the status of the Integrated Deepwater Program to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure at the beginning of the first full fiscal year quarter after the date of enactment of this Act, and at the beginning of each subsequent fiscal year quarter.

(c) REPORTING ON COST OVERRUNS AND DELAYS.—

(1) REPORT REQUIRED.—The Commandant shall submit a report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure as soon as possible, but not later than 30 days after the Deepwater Program Executive Officer becomes aware of—

(A) a likely cost overrun greater than 10 percent of the program acquisition unit cost, the procurement unit cost, or the life cycle cost of an individual asset or a class of assets under the Integrated Deepwater Program; or

(B) a likely delay of more than 6 months in the delivery schedule for any individual asset or class of assets under the Integrated Deepwater Program.

(2) REQUIRED CONTENT.—The report shall include—

(A) a detailed explanation for the variance or delay;

(B) the current program acquisition unit cost and the complete history of changes to that cost from the schedule and costs described in the plan submitted under section 3(d);

(C) the current procurement unit cost and the complete history of changes to that cost from the schedule and costs described in the plan submitted under section 3(d); and

(D) a full life-cycle cost analysis for each asset or class of assets for which a report is being submitted under paragraph (1).

(3) SUBSTANTIAL VARIANCES IN COSTS OR SCHEDULE.—If a likely cost overrun is greater than 20 percent or a likely delay is greater than 12 months from the schedule and costs described in the plan submitted under section 3(d) or, if the plan has been revised, from the schedule and costs described in the revised plan, the Commandant shall include in the report required under paragraph (1) a written certification, with a supporting explanation, that—

(A) the asset or asset class is essential to the accomplishment of Coast Guard missions;

(B) there are no alternatives to such asset or asset class which will provide equal or greater capability in a more cost-effective and timely manner;

(C) the new estimates of the program acquisition unit cost or procurement unit cost are reasonable; and

(D) the management structure for the acquisition program is adequate to manage and control program acquisition unit cost or procurement unit cost.

(4) CERTIFIED ASSETS AND ASSET CLASSES.—If the Commandant certifies an asset or asset class under paragraph (3), the requirements of this subsection shall be based on the new estimates of cost and schedule contained in that certification.

(5) DEFINITIONS.—In this subsection:

(A) LIFE-CYCLE COST.—The term ''life-cycle cost'' means all costs for development, procurement, construction, and operations and support for a particular asset, without regard to funding source or management control.

(B) PROCUREMENT UNIT COST.—The term ''procurement unit cost'' means the amount equal to the total of all funds programmed to be available for obligation for procurement of a given asset class divided by the number of assets to be procured.

(C) PROGRAM ACQUISITION UNIT COST.—The term ''program acquisition unit cost'' means the amount equal to the total cost for development, procurement, and construction for each class of assets divided by the total number of assets in each class.

On page 28, between lines 20 and 21, insert the following:

(e) REPORT ON C4ISR.—Not later than 90 days after the date of enactment of this Act, the Commandant shall submit to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure a report on the manner in which the Coast Guard is resolving the problems and responding to the recommendations contained in the August 2006 Department of Homeland Security Inspector General Report entitled *Improvements Needed in the Coast Guard's Acquisition and Implementation of Deepwater Information Technology Systems*.

(f) AMENDMENT OF 2006 ACT.—Section 408(a) of the Coast Guard and Maritime Transportation Act of 2006 is amended—

(1) by striking paragraphs (1) and (3); and

(2) by redesignating paragraphs (2) and (4) through (8) as paragraphs (1) through (6), respectively.

On page 28, line 21, strike ''**SEC. 8.**'' and insert ''**SEC. 9.**''.

On page 28, beginning in line 23, strike ''no later than June 1, 2007''.

On page 29, beginning in line 4, strike ''issued before March 1, 2007,''.

On page 29, beginning in line 16, strike ''Act. The Commandant shall report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure on the Coast Guard's progress in implementing such recommendations.'' and insert ''Act, and implement subsequent recommendations to the maximum extent practicable as they arise.''.

On page 30, line 9, strike ''**SEC. 9.**'' and insert ''**SEC. 10.**''.

On page 31, line 8, strike ''**SEC. 10.**'' and insert ''**SEC. 11.**''.

SA 3885. Mr. REID (for Mr. KERRY) proposed an amendment to the bill S. 1784, to amend the Small Business Act to improve programs for veterans, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Military Reservist and Veteran Small Business Reauthorization and Opportunity Act of 2007''.

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

SEC. 3. DEFINITIONS.

In this Act—

(1) the term ''activated'' means receiving an order placing a Reservist on active duty;

(2) the term ''active duty'' has the meaning given that term in section 101 of title 10, United States Code;

(3) the terms ''Administration'' and ''Administrator'' mean the Small Business Administration and the Administrator thereof, respectively;

(4) the term ''Reservist'' means a member of a reserve component of the Armed Forces, as described in section 10101 of title 10, United States Code;

(5) the term ''Service Corps of Retired Executives'' means the Service Corps of Retired Executives authorized by section 8(b)(1) of the Small Business Act (15 U.S.C. 637(b)(1));

(6) the terms ''service-disabled veteran'' and ''small business concern'' have the meaning as in section 3 of the Small Business Act (15 U.S.C. 632);

(7) the term ''small business development center'' means a small business development center described in section 21 of the Small Business Act (15 U.S.C. 648); and

(8) the term ''women's business center'' means a women's business center described in section 29 of the Small Business Act (15 U.S.C. 656).

TITLE I—VETERANS BUSINESS DEVELOPMENT

SEC. 101. INCREASED FUNDING FOR THE OFFICE OF VETERANS BUSINESS DEVELOPMENT.

(a) IN GENERAL.—There are authorized to be appropriated to the Office of Veterans Business Development of the Administration, to remain available until expended—

(1) $2,100,000 for fiscal year 2008; and

(2) $2,300,000 for fiscal year 2009.

(b) FUNDING OFFSET.—Amounts necessary to carry out subsection (a) shall be offset and made available through the reduction of the authorization of funding under section 20(e)(1)(B)(iv) of the Small Business Act (15 U.S.C. 631 note).

(c) SENSE OF CONGRESS.—It is the sense of Congress that any amounts provided pursuant to this section that are in excess of amounts provided to the Administration for the Office of Veterans Business Development in fiscal year 2007, should be used to support Veterans Business Outreach Centers.

SEC. 102. INTERAGENCY TASK FORCE.

Section 32 of the Small Business Act (15 U.S.C. 657b) is amended—

(1) by redesignating subsection (c) as (f); and

(2) by inserting after subsection (b) the following:

''(c) INTERAGENCY TASK FORCE.—

''(1) ESTABLISHMENT.—Not later than 90 days after the date of enactment of this subsection, the President shall establish an interagency task force to coordinate the efforts of Federal agencies necessary to increase capital and business development opportunities for, and increase the award of Federal contracting and subcontracting opportunities to, small business concerns owned and controlled by service-disabled veterans and small business concerns owned and controlled by veterans (in this section referred to as the 'task force').

''(2) MEMBERSHIP.—The members of the task force shall include—

''(A) the Administrator, who shall serve as chairperson of the task force;

''(B) a senior level representative from—
''(i) the Department of Veterans Affairs;
''(ii) the Department of Defense;
''(iii) the Administration (in addition to the Administrator);
''(iv) the Department of Labor;
''(v) ' the Department of the Treasury;
''(vi) the General Services Administration; and
''(vii) the Office of Management and Budget; and
''(C) 4 representatives from a veterans service organization or military organization or association, selected by the President.
''(3) DUTIES.—The task force shall coordinate administrative and regulatory activities and develop proposals relating to
''(A) increasing capital access and capacity of small business concerns owned and controlled by service-disabled veterans and small business concerns owned and controlled by veterans through loans, surety bonding, and franchising;
''(B) increasing access to Federal con tracting and subcontracting for small business concerns owned and controlled by service-disabled veterans and small business concerns owned and controlled by veterans through expanded mentor-protégé assistance and matching such small business concerns with contracting opportunities;
''(C) increasing the integrity of certifications of status as a small business concern owned and controlled by service-disabled veterans or a small business concern owned and controlled by veterans;
''(D) reducing paperwork and administrative burdens on veterans in accessing business development and entrepreneurship opportunities;
''(E) increasing and improving training and counseling services provided to small business concerns owned and controlled by veterans; and
''(F) making other improvements relating to the support for veterans business development by the Federal Government.
''(4) REPORTING.—The task force shall submit an annual report regarding its activities and proposals to—
''(A) the Committee on Small Business and Entrepreneurship and the Committee on Veterans' Affairs of the Senate; and
''(B) the Committee on Small Business and the Committee on Veterans' Affairs of the House of Representatives.''.

SEC. 103. PERMANENT EXTENSION OF SBA ADVISORY COMMITTEE ON VETERANS BUSINESS AFFAIRS.

(a) ASSUMPTION OF DUTIES.—Section 33 of the Small Business Act (15 U.S.C. 657c) is amended
(1) by striping subsection (h); and
(2) by redesignating subsections (1) through (k) as subsections (h) through (j), respectively.
(b) PERMANENT EXTENSION OF AUTHORITY.—Section 203 of the Veterans Entrepreneurship and Small Business Development Act of 1999 (15 U.S.C. 657b note) is amended by striking subsection (h).

SEC. 104. OFFICE OF VETERANS BUSINESS DEVELOPMENT.

Section 32 of the Small Business Act (15 U.S.C. 657b) is amended by inserting after subsection (c) (as added by section 102) the following:
''(d) PARTICIPATION IN TAP WORKSHOPS.—
''(1) In general.—The Associate Administrator shall increase veteran outreach by ensuring that Veteran Business Outreach Centers regularly participate, on a nationwide basis, in the workshops of the Transition Assistance Program of the Department of Labor.
''(2) PRESENTATIONS.—In carrying out paragraph (1), a Veteran Business Outreach Center may provide grants to entities located in Transition Assistance Program locations to make presentations on the opportunities available from the Administration for recently separating or separated veterans. Each presentation under this paragraph shall include, at a mininiuin, a description of the entrepreneurial and business training resources available from the Administration.
''(3) WRITTEN MATERIALS.—The Associate Administrator shall—
''(A) create written materials that provide comprehensive information on self-employment and veterans entrepreneurship, including information on resources available from the Administration on such topics; and
''(B) make the materials created under subparagraph (A) available to the Secretary of Labor for inclusion in the Transition Assistance Program manual.
''(4) REPORTS.—The Associate Administrator shall submit to Congress progress reports on the implementation of this subsection.
''(e) WOMEN VETERANS BUSINESS TRAINING RESOURCE PROGRAM.—
''(1) IN GENERAL.—The Associate Administrator shall establish a Women Veterans Business Training Resource Program.
''(2) ACTIVITIES.—The Associate Administrator shall—
''(A) compile information on resources available to women veterans for business training, including resources for—
''(i) vocational and technical education;
''(ii) general business skills, such as marketing and accounting; and
''(iii) business assistance programs targeted to women veterans; and
''(B) disseminate the information compiled under subparagraph (A) through Veteran Business Outreach Centers and women's business centers.''.

SEC. 105. INCREASING THE NUMBER OF OUTREACH CENTERS.

(a) IN GENERAL.—The Administrator shall use the authority in section 8(b)(17) of the Small Business Act (15 U.S.C. 637(b)(17)) to ensure that the number of Veterans Business Outreach Centers throughout the United States increases—
(1) subject to subsection (b), by at least 2, for each of fiscal years 2008 and 2009; and
(2) by the number that the Administrator considers appropriate, based on need, for each fiscal year thereafter.
(b) LIMITATION.—Subsection (a)(1) shall apply in a fiscal year if, for that fiscal year, the amount made available for the Office of Veterans Business Development is more than the amount made available for the Office of Veterans Business Development for fiscal year 2007.

SEC. 106. INDEPENDENT STUDY ON GAPS IN AVAILABILITY OF OUTREACH CENTERS.

The Administrator shall sponsor an independent study on gaps in the availability of Veterans Business Outreach Centers across the United States, to inform decisions on funding and on the allocation and coordination of resources. Not later than 6 months after the date of enactment of this Act, the Administrator shall submit to Congress a report on the results of the study.

TITLE II—NATIONAL RESERVIST ENTERPRISE TRANSITION AND SUSTAINABILITY

SEC. 201. SHORT TITLE.

This title may be cited as the ''National Reservist Enterprise Transition and Sustainability Act of 2007''.

SEC. 202. PURPOSE.

The purpose of this title is to establish a program to—
(1) provide managerial, financial, planning, development, technical, and regulatory assistance to small business concerns owned and operated by Reservists;
(2) provide managerial, financial, planning, development, technical, and regulatory assistance to the temporary heads of small business concerns owned and operated by Reservists;
(3) create a partnership between the Small Business Administration, the Department of Defense, and the Department of Veterans Affairs to assist small business concerns owned and operated by Reservists;
(4) utilize the service delivery network of small business development centers, women's business centers, Veterans Business Outreach Centers, and centers receiving funding from the National Veterans Business Development Corporation, and any other veterans small business assistance program which receives Federal funding, to expand the access of small business concerns owned and operated by Reservists to programs providing business management, development, financial, procurement, technical, regulatory, and marketing assistance;
(5) utilize the service delivery network of small business development centers, women's business centers, Veterans Business Outreach Centers, and centers receiving funding from the National Veterans Business Development Corporation, and any other veterans small business assistance program which receives Federal funding, to quickly respond to an activation of Reservists that own and operate small business concerns; and
(6) utilize the service delivery network of small business development centers, women's business centers, Veterans Business Outreach Centers, and centers receiving funding from the National Veterans Business Development Corporation, and any other veterans small business assistance program which receives Federal funding, to assist Reservists that own and operate small business concerns in preparing for future military activations.

SEC. 203. NATIONAL GUARD AND RESERVE BUSINESS ASSISTANCE.

The Small Business Act (15 U.S.C. 631 et seq.) is amended—
(1) by redesignating section 37 (15 U.S.C. 631 note) as section 38; and
(2) by inserting after section 36 the following:

''SEC. 37. RESERVIST ENTERPRISE TRANSITION AND SUSTAINABILITY.

''(a) IN GENERAL.—The Administrator shall establish a program to provide business planning assistance to small business concerns owned and operated by Reservists.
''(b) DEFINITIONS.—In this section—
''(1) the terms 'activated' and 'activation' mean having received an order placing a Reservists on active duty, as defined by section 101(1) of title 10, United States Code;
''(2) the term 'Administrator' means the Administrator of the Small Business Administration, acting through the Associate Administrator for Small Business Development Centers;
''(3) the term 'Association' means the association established under section 21(a)(3)(A);
''(4) the term 'eligible applicant' means—
''(A) a small business development center that is accredited under section 21(k);
''(B) a women's business center;
''(C) a Veterans Business Outreach Center that receives funds from the Office of Veterans Business Development;
''(D) an information and assistance center receiving funding from the National Veterans Business Development Corporation under section 33; or
''(E) any other veterans small business assistance program which receives Federal funding;
''(5) the term 'enterprise transition and sustainability assistance' means assistance

provided by an eligible applicant to a small business concern owned and operated by a Reservist, who has been activated or is likely to be activated in the next 12 months, to develop and implement a business strategy for the period while the owner is on active duty and 6 months after the date of the return of the owner;

''(6) the term 'Reservist' means any person who is—

''(A) a member of a reserve component of the Armed Forces, as defined by section 10101 of title 10, United States Code; and

''(B) on active status, as defined by section 101(d)(4) of title 10, United States Code;

''(7) the term 'small business development center' means a small business development center as described in section 21 of the Small Business Act (15 U.S.C. 648);

''(8) the term 'State' means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, and Guam; and

''(9) the term 'women's business center' means a women's business center described in section 29 of the Small Business Act (15 U.S.C. 656).

''(c) AUTHORITY.—The Administrator may award grants, in accordance with the regulations developed under subsection (e), to eligible applicants to assist small business concerns owned and operated by Reservists by—

''(1) providing management, development, financing, procurement, technical, regulatory, and marketing assistance;

''(2) providing access to information and resources, including Federal and State business assistance programs;

''(3) distributing contact information provided by the Department of Defense regarding activated Reservists to corresponding State directors;

''(4) offering free, one-on-one, in-depth counseling regarding management, development, financing, procurement, regulations, and marketing;

''(5) assisting in developing a long-term plan for possible future activation; and

''(6) providing enterprise transition and sustainability assistance.

''(d) OTHER FEDERAL DEPARTMENTS AND AGENCIES.—The Administrator shall make available informational materials relating to veteran business assistance practices developed by eligible entities using grants under this section to other Federal departments and agencies for use in programs operated by such departments and agencies.

''(e) RULEMAKING.—

''(1) IN GENERAL.—The Administrator, in consultation with the Association and after notice and an opportunity for comment, shall promulgate regulations to carry out this section.

''(2) DEADLINE.—The Administrator shall promulgate final regulations not later than 180 days of the date of enactment of the Military Reservist and Veteran Small Business Reauthorization and Opportunity Act of 2007.

''(3) CONTENTS.—The regulations developed by the Administrator under this subsection shall establish—

''(A) procedures for identifying, in consultation with the Secretary of Defense, States that have had a recent activation of Reservists;

''(B) priorities for the types of assistance to be provided under the program authorized by this section;

''(C) standards relating to educational, technical, and support services to be provided by a grantee;

''(D) standards relating to any national service delivery and support function to be provided by a grantee;

''(E) standards relating to any work plan that the Administrator may require a grantee to develop; and

''(F) standards relating to the educational, technical, and professional competency of any expert or other assistance provider to whom a small business concern may be referred for assistance by a grantee.

''(f) APPLICATION.—

''(1) IN GENERAL.—Each eligible applicant desiring a grant under this section shall submit an application to the Administrator at such time, in such manner, and accompanied by such information as the Administrator may reasonably require.

''(2) CONTENTS.—Each application submitted under paragraph (1) shall describe

''(A) the activities for which the applicant seeks assistance under this section; and

''(B) how the applicant plans to allocate funds within its network.

''(g) AWARD OF GRANTS.—

''(1) DEADLINE.—The Administrator shall award grants not later than 60 days after the promulgation of final rules and regulations under subsection (e).

''(2) AMOUNT.—Each eligible applicant awarded a grant under this section shall receive a grant in an amount not greater than $300,000 per fiscal year.

''(h) REPORT.—

''(1) IN GENERAL.—The Comptroller General of the United States shall—

''(A) initiate an evaluation of the program not later than 30 months after the disbursement of the first grant under this section; and

''(B) submit a report not later than 6 months after the initiation of the evaluation under paragraph (1) to—

''(1) the Administrator;

''(ii) the Committee on Small Business and Entrepreneurship of the Senate; and

''(iii) the Committee on Small Business of the House of Representitives.

''(2) CONTENTS.—The report under paragraph (1) shall—

''(A) address the results of the evaluation conducted under paragraph (1); and

''(B) recommend changes to law, if any, that it believes would be necessary or advisable to achieve the goals of this section.

''(i) AUTHORIZATION OF APPROPRIATIONS.—

''(1) IN GENERAL.—There are authorized to be appropriated to carry out this section—

''(A) $5,000,000 for the first fiscal year beginning after the date of enactment of the Military Reservist and Veteran Small Business Reauthorization and Opportunity Act of 2007; and

''(B) $5,000,000 for the fiscal year following the fiscal year described in subparagraph (A).

''(2) FUNDING OFFSET.—Amounts necessary to carry out this section shall be offset and made available through the reduction of the authorization of fielding under section 20(e)(1)(B)(iv) of the Small Business Act (15 U.S.C. 631 note).''.

SEC. 204. VETERANS ASSISTANCE AND SERVICES PROGRAM.

Section 21 of the Small Business Act (15 U.S.C. 648) is amended by adding at the end the following:

''(n) VETERANS ASSISTANCE AND SERVICES PROGRAM.—

''(1) IN GENERAL.—A small business development center may apply for a grant under this subsection to carry out a veterans assistance and services program.

''(2) ELEMENTS OF PROGRAM.—Under a program carried out with a grant under this subsection, a small business development center shall—

''(A) create a marketing campaign to promote awareness and education of the services of the center that are available to veterans, and to target the campaign toward veterans, servicedisabled veterans, military units, Federal agencies, and veterans organizations;

''(B) use technology-assisted online counseling and distance learning technology to overcome the impediments to entrepreneurship faced by veterans and members of the Armed Forces; and

''(C) increase coordination among organizations that assist veterans, including by establishing virtual integration of service providers and offerings for a one-stop point of contact for veterans who are entrepreneurs or owners of small business concerns.

''(3) AMOUNT OF GRANTS.—A grant under this subsection shall be for not less than $75,000 and not more than $250,000.

''(4) FUNDING.—Subject to amounts approved in advance in appropriations Acts, the Administration may make grants or enter into cooperative agreements to carry out the provisions of this subsection.''.

TITLE III—RESERVIST PROGRAMS

SEC. 301. RESERVIST PROGRAMS.

(a) APPLICATION PERIOD.—Section 7(b)(3)(C) of the Small Business Act (15 U.S.C. 636(b)(3)(C)) is amended—

(1) by striking ''90 days'' and inserting ''1 year''; and

(2) by adding at the end the following: ''The Administrator may, when appropriate (as determined by the Administrator), waive the ending date specified in the preceding sentence and establish a later ending date.''.

(b) PRE-CONSIDERATION PROCESS.—

(1) DEFINITION.—In this subsection, the term ''eligible Reservist'' means a Reservist who—

(A) has not been ordered to active duty;

(B) expects to be ordered to active duty during a period of military conflict; and

(C) can reasonably demonstrate that the small business concern for which that Reservist is a key employee will suffer economic injury in the absence of that Reservist.

(2) ESTABLISHMENT.—Not later than 6 months after the date of enactment of this Act, the Administrator shall establish a preconsideration process, under which the Administrator

(A) may collect all relevant materials necessary for processing a loan to a small business concern under section 7(b)(3) of the Small Business Act (15 U.S.C. 636(b)(3)) before an eligible Reservist employed by that small business concern is activated; and

(B) shall distribute funds for any loan approved under subparagraph (A) if that eligible Reservist is activated.

(C) OUTREACH AND TECHNICAL ASSISTANCE PROGRAM.—

(1) IN GENERAL.—Not later than 6 months after the date of enactment of this Act, the Administrator, in consultation with the Secretary of Veterans Affairs and the Secretary of Defense, shall develop a comprehensive outreach and technical assistance program (in this subsection referred to as the ''program'') to—

(A) market the loans available under section 7(b)(3) of the Small Business Act (15 U.S.C. 636(b)(3)) to Reservists, and family members of Reservists, that are on active duty and that are not on active duty; and

(B) provide technical assistance to a small business concern applying for a loan under that section.

(2) COMPONENTS.—The program shall

(A) incorporate appropriate websites maintained by the Administration, the Department of Veterans Affairs, and the Department of Defense; and

(B) require that information on the program is made available to small business concerns directly through

(i) the district offices and resource partners of the Administration, including small business development centers, women's business centers, and the Service Corps of Retired Executives; and

(ii) other Federal agencies, including the Department of Veterans Affairs and the Department of Defense.

(3) REPORT.—

(A) IN GENERAL.—Not later than 6 months after the date of enactment of this Act, and every 6 months thereafter until the date that is 30 months after such date of enactment, the Administrator shall submit to Congress a report on the status of the program.

(B) CONTENTS.—Each report submitted under subparagraph (A) shall include—

(i) for the 6-month period ending on the date of that report—

(I) the number of loans approved under section 7(b)(3) of the Small Business Act (15 U.S.C. 636(b)(3));

(II) the number of loans disbursed under that section; and

(III) the total amount disbursed under that section; and

(ii) recommendations, if any, to make the program more effective in serving small business concerns that employ Reservists.

SEC. 302. RESERVIST LOANS.

(a) IN GENERAL.—Section 7(b)(3)(E) of the Small Business Act (15 U.S.C. 636(b)(3)(E)) is amended by striking ''$1,500,000'' each place such term appears and inserting ''$2,000,000''.

(b) LOAN INFORMATION.—

(1) IN GENERAL.—The Administrator and the Secretary of Defense shall develop a joint website and printed materials providing information regarding any program for small business concerns that is available to veterans or Reservists.

(2) MARKETING.—The Administrator is authorized—

(A) to advertise and promote the program under section 7(b)(3) of the Small Business Act jointly with the Secretary of Defense and veterans' service organizations; and

(B) to advertise and promote participation by lenders in such program jointly with trade associations for banks or other lending institutions.

SEC. 303. NONCOLLATERALIZED LOANS.

Section 7(b)(3) of the Small Business Act (15 U.S.C. 636(b)(3)) is amended by adding at the end the following:

''(G)(i) Notwithstanding any other provision of law, the Administrator may make a loan under this paragraph of not more than $50,000 without collateral.

''(ii) The Administrator may defer payment of principal and interest on a loan described in clause (i) during the longer of—

''(I) the 1-year period beginning on the date of the initial disbursement of the loan; and

''(II) the period during which the relevant essential employee is on active duty.''.

SEC. 304. LOAN PRIORITY.

Section 7(b)(3) of the Small Business Act (15 U.S.C. 636(b)(3)), as amended by this Act, is amended by adding at the end the following:

''(H) The Administrator shall give priority to any application for a loan under this paragraph and shall process and make a determination regarding such applications prior to processing or making a determination on other loan applications under this subsection, on a rolling basis.''.

SEC. 305. RELIEF FROM TIME LIMITATIONS FOR VETERAN-OWNED SMALL BUSINESSES.

Section 3(q) of the Small Business Act (15 U.S.C. 632(q)) is amended by adding at the end the following:

''(5) RELIEF FROM TIME LIMITATIONS.—

''(A) IN GENERAL.—Any time limitation on any qualification, certification, or period of participation imposed under this Act on any program that is available to small business concerns shall be extended for a small business concern that—

''(i) is owned and controlled by—

''(I) a veteran who was called or ordered to active duty under a provision of law specified in section 101(a)(13)(B) of title 10, United States Code, on or after September 11, 2001; or

''(II) a service-disabled veteran who became such a veteran due to an injury or illness incurred or aggravated in the active military, naval, or air service during a period of active duty pursuant to a call or order to active duty under a provision of law referred to in subclause (I) on or after September 11, 2001; and

''(ii) was subject to the time limitation during such period of active duty.

''(B) DURATION.—Upon submission of proper documentation to the Administrator, the extension of a time limitation under subparagraph (A) shall be equal to the period of time that such veteran who owned or controlled such a concern was on active duty as described in that subparagraph.

''(C) EXCEPTION FOR PROGRAMS SUBJECT TO FEDERAL CREDIT REFORM ACT OF 1990.—The provisions of subparagraphs (A) and (B) shall not apply to any programs subject to the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.).''.

SEC. 306. SERVICE-DISABLED VETERANS.

Not later than 180 days after the date of enactment of this Act, the Comptroller General of the United States shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report describing

(1) the types of assistance needed by service-disabled veterans who wish to become entrepreneurs; and

(2) any resources that would assist such service-disabled veterans.

SEC. 307. STUDY ON OPTIONS FOR PROMOTING POSITIVE WORKING RELATIONS BETWEEN EMPLOYERS AND THEIR RESERVE COMPONENT EMPLOYEES.

(a) STUDY REQUIRED.—The Comptroller General of the United States shall conduct a study on options for promoting positive working relations between employers and Reserve component employees of such employers, including assessing options for improving the time in which employers of Reservists are notified of the call or order of such members to active duty other than for training.

(b) REPORT.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of tliis Aet, the Comptroller General of the United States shall submit to the appropriate committees of Congress a report on the study conducted under subsection (a).

(2) CONTENTS.—The report submitted under paragraph (1) shall—

(A) provide a quantitative and qualitative assessment of—

(i) what measures, if any, are being taken to inform Reservists of the obligations and responsibilities of such members to their employers;

(ii) how effective such measures have been; and whether there are additional measures that could be taken to promote positive working relations between Reservists and their employers, including any steps that could be taken to ensure that employers are timely notified of a call to active duty; and

(B) assess whether there has been a reduction in the hiring of Reservists by business concerns because of—

(i) any increase in the use of Reservists after September 11, 2001; or

(ii) any change in any policy of the Department of Defense relating to Reservists after September 11, 2001.

(c) APPROPRIATE COMMITTEES OF CONGRESS DEFINED.—In this section, the term ''appropriate committees of Congress'' means—

(1) the Committee on Armed Services and the Committee on Small Business and Entrepreneurship of the Senate; and

(2) the Committee on Armed Services and the Committee on Small Business of the House of Representatives.

SEC. 308. INCREASED VETERAN PARTICIPATION PROGRAM.

Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended by adding at the end the following:

''(32) INCREASED VETERAN PARTICIPATION PROGRAM.—

''(A) DEFINITIONS.—In this paragraph—

''(1) the term 'cost' has the meaning given that term in section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a);

''(ii) the term 'pilot program' means the pilot program established under subparagraph (B); and

''(iii) the term 'veteran participation loan' means a loan made under this subsection to a small business concern owned and controlled by veterans of the Armed Forces or members of the reserve components of the Armed Forces.

''(B) ESTABLISHMENT.—The Administrator shall establish and carry out a pilot program under which the Administrator shall reduce the fees for veteran participation loans.

''(C) DURATION.—The pilot program shall terminate at the end of the second full fiscal year after the date that the Administrator establishes the pilot program.

''(D) MAXIMUM PARTICIPATION.—A veteran participation loan shall include the maximum participation levels by the Administrator permitted for loans made under this subsection.

''(E) FEES.—

''(i) IN GENERAL.—The fee on a veteran participation loan shall be equal to 50 percent of the fee otherwise applicable to that loan under paragraph (18).

''(ii) WAIVER.—The Administrator may waive clause (i) for a fiscal year if—

(I) for the fiscal year before that fiscal year, the annual estimated rate of default of veteran participation loans exceeds that of loans made under this subsection that are not veteran participation loans;

''(II) the cost to the Administration of making loans under this subsection is greater than zero and such cost is directly attributable to the cost of making veteran participation loans; and

''(III) no additional sources of revenue authority are available to reduce the cost of making loans under this subsection to zero.

''(iii) EFFECT OF WAIVER.—If the Administrator waives the reduction of fees under clause (ii), the Administrator

''(I) shall not assess or collect fees in an amount greater than necessary to ensure that the cost of the program under this subsection is not greater than zero; and

''(II) shall reinstate the fee reductions under clause (i) when the conditions in clause (ii) no longer apply.

''(iv) NO INCREASE OF FEES.—The Administrator shall not increase the fees under paragraph (18) on loans made under this subsection that are not veteran participation loans as a direct result of the pilot program.

''(F) GAO REPORT.—

''(i) IN GENERAL.—Not later than 1 year after the date that the pilot program terminates, the Comptroller General of the United States shall submit to the Committee on Small Business of the House of Representatives and the Committee on Small Business and Entrepreneurship of the Senate a report on the pilot program.

''(ii) CONTENTS.—The report submitted under clause (i) shall include—

''(I) the number of veteran participation loans for which fees were reduced under the pilot program;

''(II) a description of the impact of the pilot program on the program under this subsection;

''(III) an evaluation of the efficacy and potential fraud and abuse of the pilot program; and

''(IV) recommendations for improving the pilot program.''.

SA 3886. Mr. REID (for Mr. COBURN) proposed an amendment to amendment SA 3885 proposed by Mr. REID (for Mr. KERRY) to the bill S. 1784, to amend the Small Business Act to improve programs for veterans, and for other purposes; as follows:

On page 4, line 25, strike ''increase'' and all that follows through ''opportunities to'' on page 5, line 2, and insert ''improve capital and business development opportunities for, and ensure achievement of the pre-established Federal contracting goals for''.

On page 5, line 10, after the semicolon, add ''and''.

On page 5, line 22, strike ''; and'' and insert a period.

On page 5, strike lines 23 through 25.

On page 6, strike line 1 and all that follows through page 7, line 16, and insert the following:

''(3) DUTIES.—The task force shall—

''(A) consult regularly with veterans service organizations and military organizations in performing the duties of the task force; and

''(B) coordinate administrative and regulatory activities and develop proposals relating to—

''(i) improving capital access and capacity of small business concerns owned and controlled by service-disabled veterans and small business concerns owned and controlled by veterans through loans, surety bonding, and franchising;

''(ii) ensuring achievement of the pre-established Federal contracting goals for small business concerns owned and controlled by service-disabled veterans and small business concerns owned and controlled by veterans through expanded mentor-protégé assistance and matching such small business concerns with contracting opportunities;

''(iii) increasing the integrity of certifications of status as a small business concern owned and controlled by service-disabled veterans or a small business concern owned and controlled by veterans;

''(iv) reducing paperwork and administrative burdens on veterans in accessing business development and entrepreneurship opportunities;

''(v) increasing and improving training and counseling services provided to small business concerns owned and controlled by veterans; and

''(vi) making other improvements relating to the support for veterans business development by the Federal Government.

On page 9, strike line 13 and all that follows through page 10, line 8, and insert the following:

''(e) WOMEN VETERANS BUSINESS TRAINING.—The Associate Administrator shall—

''(1) compile information on existing resources available to women veterans for business training, including resources for—

''(A) vocational and technical education;

''(B) general business skills, such as marketing and accounting; and

''(C) business assistance programs targeted to women veterans; and

''(2) disseminate the information compiled under paragraph (1) through Veteran Business Outreach Centers and women's business centers.''.

On page 11, strike line 10 and all that follows through page 20, line 23, and insert the following:

SEC. 201. VETERANS ASSISTANCE AND SERVICES PROGRAM.

On page 22, between lines 10 and 11, insert the following:

SEC. 202. DISASTER LOANS.

Section 7(b)(3) of the Small Business Act (15 U.S.C. 636(b)(3)) is amended—

(1) in subparagraph (E), by striking ''unless'' and all that follows and inserting a period; and

(2) by inserting after subparagraph (I), the following:

''(J) There shall be reasonable assurance that a loan recipient under this paragraph can repay the loan of personal or business cash flow.''.

On page 22, line 21, strike ''waive'' and all that follows through ''date'' on line 23 and insert ''extend the ending date specified in the preceding sentence by not more than 1 year''.

On page 24, line 4, strike ''shall'' and insert ''may''.

On page 32, between lines 9 and 10, insert the following:

(d) ADDITIONAL STUDY.—Not later than 180 days after the date of enactment of this Act, the Office of Advocacy of the Administration shall submit to Congress a report describing—

(1) the barriers in place arising from Federal regulations for veterans who wish to become entrepreneurs;

(2) the barriers in place arising from the tax code for veterans who wish to become entrepreneurs; and

(3) any recommendations for how best to eliminate those barriers to better assist current or prospective veteran small business owners.

SA 3887. Mr. SCHUMER (for Mr. LEAHY (for himself and Mr. SCHUMER)) proposed an amendment to the bill H.R. 2640, to improve the National Instant Criminal Background Check System, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TILE.—This Act may be cited as the ''NICS Improvement Amendments Act of 2007''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

SEC. 2. FINDINGS.

Congress finds the following:

(1) Approximately 916,000 individuals were prohibited from purchasing a firearm for failing a background check between November 30, 1998, (the date the National Instant Criminal Background Check System (NICS) began operating) and December 31, 2004.

(2) From November 30, 1998, through December 31, 2004, nearly 49,000,000 Brady background checks were processed through NICS.

(3) Although most Brady background checks are processed through NICS in seconds, many background checks are delayed if the Federal Bureau of Investigation (FBI) does not have automated access to complete information from the States concerning persons prohibited from possessing or receiving a firearm under Federal or State law.

(4) Nearly 21,000,000 criminal records are not accessible by NICS and millions of criminal records are missing critical data, such as arrest dispositions, due to data backlogs.

(5) The primary cause of delay in NICS background checks is the lack of—

(A) updates and available State criminal disposition records; and

(B) automated access to information concerning persons prohibited from possessing or receiving a firearm because of mental illness, restraining orders, or misdemeanor convictions for domestic violence.

(6) Automated access to this information can be improved by—

(A) computerizing information relating to criminal history, criminal dispositions, mental illness, restraining orders, and misdemeanor convictions for domestic violence; or

(B) making such information available to NICS in a usable format.

(7) Helping States to automate these records will reduce delays for law-abiding gun purchasers.

(8) On March 12, 2002, the senseless shooting, which took the lives of a priest and a parishioner at the Our Lady of Peace Church in Lynbrook, New York, brought attention to the need to improve information-sharing that would enable Federal and State law enforcement agencies to conduct a complete background check on a potential firearm purchaser. The man who committed this double murder had a prior disqualifying mental health commitment and a restraining order against him, but passed a Brady

background check because NICS did not have the necessary information to determine that he was ineligible to purchase a firearm under Federal or State law.

(9) On April 16, 2007, a student with a history of mental illness at the Virginia Polytechnic Institute and State University shot to death 32 students and faculty members, wounded 17 more, and then took his own life. The shooting, the deadliest campus shooting in United States history, renewed the need to improve information-sharing that would enable Federal and State law enforcement agencies to conduct complete background checks on potential firearms purchasers. In spite of a proven history of mental illness, the shooter was able to purchase the two firearms used in the shooting. Improved coordination between State and Federal authorities could have ensured that the shooter's disqualifying mental health information was available to NICS.

SEC. 3. DEFINITIONS.

As used in this Act, the following definitions shall apply:

(1) COURT ORDER.—The term ''court order'' includes a court order (as described in section 922(g)(8) of title 18, United States Code).

(2) MENTAL HEALTH TERMS.—The terms ''adjudicated as a mental defective'' and ''committed to a mental institution'' have the same meanings as in section 922(g)(4) of title 18, United States Code.

(3) MISDEMEANOR CRIME OF DOMESTIC VIOLENCE.—The term ''misdemeanor crime of domestic violence'' has the meaning given the term in section 921(a)(33) of title 18, United States Code.

TITLE I—TRANSMITTAL OF RECORDS

SEC. 101. ENHANCEMENT OF REQUIREMENT THAT FEDERAL DEPARTMENTS AND AGENCIES PROVIDE RELEVANT INFORMATION TO THE NATIONAL INSTANT CRIMINAL BACKGROUND CHECK SYSTEM.

(a) IN GENERAL.—Section 103(e)(1) of the Brady Handgun Violence Prevention Act (18 U.S.C. 922 note) is amended—

(1) by striking ''Notwithstanding'' and inserting the following:

''(A) IN GENERAL.—Notwithstanding'';

(2) by striking ''On request'' and inserting the following:

''(B) REQUEST OF ATTORNEY GENERAL.—On request'';

(3) by striking ''furnish such information'' and inserting ''furnish electronic versions of the information described under subparagraph (A)''; and

(4) by adding at the end the following:

''(C) QUARTERLY SUBMISSION TO ATTORNEY GENERAL.—If a Federal department or agency under subparagraph (A) has any record of any person demonstrating that the person falls within one of the categories described in subsection (g) or (n) of section 922 of title 18, United States Code, the head of such department or agency shall, not less frequently than quarterly, provide the pertinent information contained in such record to the Attorney General.

''(D) INFORMATION UPDATES.—The Federal department or agency, on being made aware that the basis under which a record was made available under subparagraph (A) does not apply, or no longer applies, shall—

''(i) update, correct, modify, or remove the record from any database that the agency maintains and makes available to the Attorney General, in accordance with the rules pertaining to that database; and

''(ii) notify the Attorney General that such basis no longer applies so that the National Instant Criminal Background Check System is kept up to date.

The Attorney General upon receiving notice pursuant to clause (ii) shall ensure that the record in the National Instant Criminal Background Check System is updated, corrected, modified, or removed within 30 days of receipt.

''(E) ANNUAL REPORT.—The Attorney General shall submit an annual report to Congress that describes the compliance of each department or agency with the provisions of this paragraph.''.

(b) PROVISION AND MAINTENANCE OF NICS RECORDS.—

(1) DEPARTMENT OF HOMELAND SECURITY.—The Secretary of Homeland Security shall make available to the Attorney General—

(A) records, updated not less than quarterly, which are relevant to a determination of whether a person is disqualified from possessing or receiving a firearm under subsection (g) or (n) of section 922 of title 18, United States Code, for use in background checks performed by the National Instant Criminal Background Check System; and

(B) information regarding all the persons described in subparagraph (A) of this paragraph who have changed their status to a category not identified under section 922(g)(5) of title 18, United States Code, for removal, when applicable, from the National Instant Criminal Background Check System.

(2) DEPARTMENT OF JUSTICE.—The Attorney General shall—

(A) ensure that any information submitted to, or maintained by, the Attorney General under this section is kept accurate and confidential, as required by the laws, regulations, policies, or procedures governing the applicable record system;

(B) provide for the timely removal and destruction of obsolete and erroneous names and information from the National Instant Criminal Background Check System; and

(C) work with States to encourage the development of computer systems, which would permit electronic notification to the Attorney General when—

(i) a court order has been issued, lifted, or otherwise removed by order of the court; or

(ii) a person has been adjudicated as a mental defective or committed to a mental institution.

(c) STANDARD FOR ADJUDICATIONS AND COMMITMENTS RELATED TO MENTAL HEALTH.—

(1) IN GENERAL.—No department or agency of the Federal Government may provide to the Attorney General any record of an adjudication related to the mental health of a person or any commitment of a person to a mental institution if—

(A) the adjudication or commitment, respectively, has been set aside or expunged, or the person has otherwise been fully released or discharged from all mandatory treatment, supervision, or monitoring;

(B) the person has been found by a court, board, commission, or other lawful authority to no longer suffer from the mental health condition that was the basis of the adjudication or commitment, respectively, or has otherwise been found to be rehabilitated through any procedure available under law; or

(C) the adjudication or commitment, respectively, is based solely on a medical finding of disability, without an opportunity for a hearing by a court, board, commission, or other lawful authority, and the person has not been adjudicated as a mental defective consistent with section 922(g)(4) of title 18, United States Code, except that nothing in this section or any other provision of law shall prevent a Federal department or agency from providing to the Attorney General any record demonstrating that a person was adjudicated to be not guilty by reason of insanity, or based on lack of mental responsibility, or found incompetent to stand trial, in any criminal case or under the Uniform Code of Military Justice.

(2) TREATMENT OF CERTAIN ADJUDICATIONS AND COMMITMENTS.—

(A) PROGRAM FOR RELIEF FROM DISABILITIES.—

(i) IN GENERAL.—Each department or agency of the United States that makes any adjudication related to the mental health of a person or imposes any commitment to a mental institution, as described in subsection (d)(4) and (g)(4) of section 922 of title 18, United States Code, shall establish, not later than 120 days after the date of enactment of this Act, a program that permits such a person to apply for relief from the disabilities imposed by such subsections.

(ii) PROCESS.—Each application for relief submitted under the program required by this subparagraph shall be processed not later than 365 days after the receipt of the application. If a Federal department or agency fails to resolve an application for relief within 365 days for any reason, including a lack of appropriated funds, the department or agency shall be deemed for all purposes to have denied such request for relief without cause. Judicial review of any petitions brought under this clause shall be de novo.

(iii) JUDICIAL REVIEW.—Relief and judicial review with respect to the program required by this subparagraph shall be available according to the standards prescribed in section 925(c) of title 18, United States Code. If the denial of a petition for relief has been reversed after such judicial review, the court shall award the prevailing party, other than the United States, a reasonable attorney's fee for any and all proceedings in relation to attaining such relief, and the United States shall be liable for such fee. Such fee shall be based upon the prevailing rates awarded to public interest legal aid organizations in the relevant community.

(B) RELIEF FROM DISABILITIES.—In the case of an adjudication related to the mental health of a person or a commitment of a person to a mental institution, a record of which may not be provided to the Attorney General under paragraph (1), including because of the absence of a finding described in subparagraph (C) of such paragraph, or from which a person has been granted relief under a program established under subparagraph (A) or (B), or because of a removal of a record under section 103(e)(1)(D) of the Brady Handgun Violence Prevention Act, the adjudication or commitment, respectively, shall be deemed not to have occurred for purposes of subsections (d)(4) and (g)(4) of section 922 of title 18, United States Code. Any Federal agency that grants a person relief from disabilities under this subparagraph shall notify such person that the person is no longer prohibited under 922(d)(4) or 922(g)(4) of title 18, United States Code, on account of the relieved disability for which relief was granted pursuant to a proceeding conducted under this subparagraph, with respect to the acquisition, receipt, transfer, shipment, transportation, or possession of firearms.

(3) NOTICE REQUIREMENT.—Effective 30 days after the date of enactment of this Act, any Federal department or agency that conducts proceedings to adjudicate a person as a mental defective under 922(d)(4) or 922(g)(4) of title 18, United States Code, shall provide both oral and written notice to the individual at the commencement of the adjudication process including—

(A) notice that should the agency adjudicate the person as a mental defective, or should the person be committed to a mental institution, such adjudication, when final, or such commitment, will prohibit the individual from purchasing, possessing, receiving, shipping or transporting a firearm or ammunition under section 922(d)(4) or section 922(g)(4) of title 18, United States Code;

(B) information about the penalties imposed for unlawful possession, receipt, shipment or transportation of a firearm under section 924(a)(2) of title 18, United States Code; and

(C) information about the availability of relief from the disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, transportation, or possession of firearms.

(4) EFFECTIVE DATE.—Except for paragraph (3), this subsection shall apply to names and other information provided before, on, or after the date of enactment of this Act. Any name or information provided in violation of this subsection (other than in violation of paragraph (3)) before, on, or after such date shall be removed from the National Instant Criminal Background Check System.

SEC. 102. REQUIREMENTS TO OBTAIN WAIVER.

(a) IN GENERAL.—Beginning 3 years after the date of the enactment of this Act, a State shall be eligible to receive a waiver of the 10 percent matching requirement for National Criminal History Improvement Grants under the Crime Identification Technology Act of 1988 (42 U.S.C. 14601) if the State provides at least 90 percent of the information described in subsection (c). The length of such a waiver shall not exceed 2 years.

(b) STATE ESTIMATES.—

(1) INITIAL STATE ESTIMATE.—

(A) IN GENERAL.—To assist the Attorney General in making a determination under subsection (a) of this section, and under section 104, concerning the compliance of the States in providing information to the Attorney General for the purpose of receiving a waiver under subsection (a) of this section, or facing a loss of funds under section 104, by a date not later than 180 days after the date of the enactment of this Act, each State shall provide the Attorney General with a reasonable estimate, as calculated by a method determined by the Attorney General and in accordance with section 104(d), of the number of the records described in subparagraph (C) applicable to such State that concern persons who are prohibited from possessing or receiving a firearm under subsection (g) or (n) of section 922 of title 18, United States Code.

(B) FAILURE TO PROVIDE INITIAL ESTIMATE.—A State that fails to provide an estimate described in subparagraph (A) by the date required under such subparagraph shall be ineligible to receive any funds under section 103, until such date as it provides such estimate to the Attorney General.

(C) RECORD DEFINED.—For purposes of subparagraph (A), a record is the following:

(i) A record that identifies a person who has been convicted in any court of a crime punishable by imprisonment for a term exceeding 1 year.

(ii) A record that identifies a person for whom an indictment has been returned for a crime punishable by imprisonment for a term exceeding 1 year that is valid under the laws of the State involved or who is a fugitive from justice, as of the date of the estimate, and for which a record of final disposition is not available.

(iii) A record that identifies a person who is an unlawful user of, or addicted to a controlled substance (as such terms ''unlawful user'' and ''addicted'' are respectively defined in regulations implementing section 922(g)(3) of title 18, United States Code, as in effect on the date of the enactment of this Act) as demonstrated by arrests, convictions, and adjudications, and whose record is not protected from disclosure to the Attorney General under any provision of State or Federal law.

(iv) A record that identifies a person who has been adjudicated as a mental defective or committed to a mental institution, consistent with section 922(g)(4) of title 18, United States Code, and whose record is not protected from disclosure to the Attorney General under any provision of State or Federal law.

(v) A record that is electronically available and that identifies a person who, as of the date of such estimate, is subject to a court order described in section 922(g)(8) of title 18, United States Code.

(vi) A record that is electronically available and that identifies a person convicted in any court of a misdemeanor crime of domestic violence, as defined in section 921(a)(33) of title 18, United States Code.

(2) SCOPE.—The Attorney General, in determining the compliance of a State under this section or section 104 for the purpose of granting a waiver or imposing a loss of Federal funds, shall assess the total percentage of records provided by the State concerning any event occurring within the prior 20 years, which would disqualify a person from possessing a firearm under subsection (g) or (n) of section 922 of title 18, United States Code.

(3) CLARIFICATION.—Notwithstanding paragraph (2), States shall endeavor to provide the National Instant Criminal Background Check System with all records concerning persons who are prohibited from possessing or receiving a firearm under subsection (g) or (n) of section 922 of title 18, United States Code, regardless of the elapsed time since the disqualifying event.

(c) ELIGIBILITY OF STATE RECORDS FOR SUBMISSION TO THE NATIONAL INSTANT CRIMINAL BACKGROUND CHECK SYSTEM.—

(1) REQUIREMENTS FOR ELIGIBILITY.—

(A) IN GENERAL.—From the information collected by a State, the State shall make electronically available to the Attorney General records relevant to a determination of whether a person is disqualified from possessing or receiving a firearm under subsection (g) or (n) of section 922 of title 18, United States Code, or applicable State law.

(B) NICS UPDATES.—The State, on being made aware that the basis under which a record was made available under subparagraph (A) does not apply, or no longer applies, shall, as soon as practicable—

(i) update, correct, modify, or remove the record from any database that the Federal or State government maintains and makes available to the National Instant Criminal Background Check System, consistent with the rules pertaining to that database; and

(ii) notify the Attorney General that such basis no longer applies so that the record system in which the record is maintained is kept up to date.

The Attorney General upon receiving notice pursuant to clause (ii) shall ensure that the record in the National Instant Criminal Background Check System is updated, corrected, modified, or removed within 30 days of receipt.

(C) CERTIFICATION.—To remain eligible for a waiver under subsection (a), a State shall certify to the Attorney General, not less than once during each 2-year period, that at least 90 percent of all records described in subparagraph (A) has been made electronically available to the Attorney General in accordance with subparagraph (A).

(D) INCLUSION OF ALL RECORDS.—For purposes of this paragraph, a State shall identify and include all of the records described under subparagraph (A) without regard to the age of the record.

(2) APPLICATION TO PERSONS CONVICTED OF MISDEMEANOR CRIMES OF DOMESTIC VIOLENCE.—The State shall make available to the Attorney General, for use by the National Instant Criminal Background Check System, records relevant to a determination of whether a person has been convicted in any court of a misdemeanor crime of domestic violence. With respect to records relating to such crimes, the State shall provide information specifically describing the offense and the specific section or subsection of the offense for which the defendant has been convicted and the relationship of the defendant to the victim in each case.

(3) APPLICATION TO PERSONS WHO HAVE BEEN ADJUDICATED AS A MENTAL DEFECTIVE OR COMMITTED TO A MENTAL INSTITUTION.—The State shall make available to the Attorney General, for use by the National Instant Criminal Background Check System, the name and other relevant identifying information of persons adjudicated as a mental defective or those committed to mental institutions to assist the Attorney General in enforcing section 922(g)(4) of title 18, United States Code.

(d) PRIVACY PROTECTIONS.—For any information provided to the Attorney General for use by the National Instant Criminal Background Check System, relating to persons prohibited from possessing or receiving a firearm under section 922(g)(4) of title 18, United States Code, the Attorney General shall work with States and local law enforcement and the mental health community to establish regulations and protocols for protecting the privacy of information provided to the system. The Attorney General shall make every effort to meet with any mental health group seeking to express its views concerning these regulations and protocols and shall seek to develop regulations as expeditiously as practicable.

(e) ATTORNEY GENERAL REPORT.—Not later than January 31 of each year, the Attorney General shall submit to the Committee on the Judiciary of the Senate and the Committee on the Judiciary of the House of Representatives a report on the progress of States in automating the databases containing the information described in subsection (b) and in making that information electronically available to the Attorney General pursuant to the requirements of subsection (c).

SEC. 103. IMPLEMENTATION ASSISTANCE TO STATES.

(a) AUTHORIZATION.—

(1) IN GENERAL.—From amounts made available to carry out this section and subject to section 102(b)(1)(B), the Attorney General shall make grants to States and Indian tribal governments, in a manner consistent with the National Criminal History Improvement Program, which shall be used by the States and Indian tribal governments, in conjunction with units of local government and State and local courts, to establish or upgrade information and identification technologies for firearms eligibility determinations. Not less than 3 percent, and no more than 10 percent of each grant under this paragraph shall be used to maintain the relief from disabilities program in accordance with section 105.

(2) GRANTS TO INDIAN TRIBES.—Up to 5 percent of the grant funding available under this section may be reserved for Indian tribal governments, including tribal judicial systems.

(b) USE OF GRANT AMOUNTS.—Grants awarded to States or Indian tribes under this section may only be used to—

(1) create electronic systems, which provide accurate and up-to-date information which is directly related to checks under the National Instant Criminal Background Check System (referred to in this section as ''NICS''), including court disposition and corrections records;

(2) assist States in establishing or enhancing their own capacities to perform NICS background checks;

(3) supply accurate and timely information to the Attorney General concerning final dispositions of criminal records to databases accessed by NICS;

(4) supply accurate and timely information to the Attorney General concerning the identity of persons who are prohibited from obtaining a firearm under section 922(g)(4) of title 18, United States Code, to be used by the Federal Bureau of Investigation solely to conduct NICS background checks;

(5) supply accurate and timely court orders and records of misdemeanor crimes of domestic violence for inclusion in Federal and State law enforcement databases used to conduct NICS background checks;

(6) collect and analyze data needed to demonstrate levels of State compliance with this Act; and

(7) maintain the relief from disabilities program in accordance with section 105, but not less than 3 percent, and no more than 10 percent of each grant shall be used for this purpose.

(c) ELIGIBILITY.—To be eligible for a grant under this section, a State shall certify, to the satisfaction of the Attorney General, that the State has implemented a relief from disabilities program in accordance with section 105.

(d) CONDITION.—As a condition of receiving a grant under this section, a State shall specify the projects for which grant amounts will be used, and shall use such amounts only as specified. A State that violates this subsection shall be liable to the Attorney General for the full amount of the grant received under this section.

(e) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated to carry out this section $125,000,000 for fiscal year 2009, $250,000,000 for fiscal year 2010, $250,000,000 for fiscal year 2011, $125,000,000 for fiscal year 2012, and $125,000,000 for fiscal year 2013.

(2) ALLOCATIONS.—For fiscal years 2009 and 2010, the Attorney General shall endeavor to allocate at least ½ of the authorized appropriations to those States providing more than 50 percent of the records required to be provided under sections 102 and 103. For fiscal years 2011, 2012, and 2013, the Attorney General shall endeavor to allocate at least ½ of the authorized appropriations to those States providing more than 70 percent of the records required to be provided under section 102 and 103. The allocations in this paragraph shall be subject to the discretion of the Attorney General, who shall have the authority to make adjustments to the distribution of the authorized appropriations as necessary to maximize incentives for State compliance.

(f) USER FEE.—The Federal Bureau of Investigation shall not charge a user fee for background checks pursuant to section 922(t) of title 18, United States Code.

SEC. 104. PENALTIES FOR NONCOMPLIANCE.

(a) ATTORNEY GENERAL REPORT.—

(1) IN GENERAL.—Not later than January 31 of each year, the Attorney General shall submit to the Committee on the Judiciary of the Senate and the Committee on the Judiciary of the House of Representatives a report on the progress of the States in automating the databases containing information described under sections 102 and 103, and in providing that information pursuant to the requirements of sections 102 and 103.

(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Department of Justice, such funds as may be necessary to carry out paragraph (1).

(b) PENALTIES.—

(1) DISCRETIONARY REDUCTION.—

(A) During the 2-year period beginning 3 years after the date of enactment of this Act, the Attorney General may withhold not more than 3 percent of the amount that would otherwise be allocated to a State under section 505 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3755) if the State provides less than 50 percent of the records required to be provided under sections 102 and 103.

(B) During the 5-year period after the expiration of the period referred to in subparagraph (A), the Attorney General may withhold not more than 4 percent of the amount that would otherwise be allocated to a State under section 505 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3755) if the State provides less than 70 percent of the records required to be provided under sections 102 and 103.

(2) MANDATORY REDUCTION.—After the expiration of the periods referred to in paragraph (1), the Attorney General shall withhold 5 percent of the amount that would otherwise be allocated to a State under section 505 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3755), if the State provides less than 90 percent of the records required to be provided under sections 102 and 103.

(3) WAIVER BY ATTORNEY GENERAL.—The Attorney General may waive the applicability of paragraph (2) to a State if the State provides substantial evidence, as determined by the Attorney General, that the State is making a reasonable effort to comply with the requirements of sections 102 and 103, including an inability to comply due to court order or other legal restriction.

(c) REALLOCATION.—Any funds that are not allocated to a State because of the failure of the State to comply with the requirements of this Act shall be reallocated to States that meet such requirements.

(d) METHODOLOGY.—The method established to calculate the number of records to be reported, as set forth in section 102(b)(1)(A), and State compliance with the required level of reporting under sections 102 and 103 shall be determined by the Attorney General. The Attorney General shall calculate the methodology based on the total number of records to be reported from all subcategories of records, as described in section 102(b)(1)(C).

SEC. 105. RELIEF FROM DISABILITIES PROGRAM REQUIRED AS CONDITION FOR PARTICIPATION IN GRANT PROGRAMS.

(a) PROGRAM DESCRIBED.—A relief from disabilities program is implemented by a State in accordance with this section if the program—

(1) permits a person who, pursuant to State law, has been adjudicated as described in subsection (g)(4) of section 922 of title 18, United States Code, or has been committed to a mental institution, to apply to the State for relief from the disabilities imposed by subsections (d)(4) and (g)(4) of such section by reason of the adjudication or commitment;

(2) provides that a State court, board, commission, or other lawful authority shall grant the relief, pursuant to State law and in accordance with the principles of due process, if the circumstances regarding the disabilities referred to in paragraph (1), and the person's record and reputation, are such that the person will not be likely to act in a manner dangerous to public safety and that the granting of the relief would not be contrary to the public interest; and

(3) permits a person whose application for the relief is denied to file a petition with the State court of appropriate jurisdiction for a de novo judicial review of the denial.

(b) AUTHORITY TO PROVIDE RELIEF FROM CERTAIN DISABILITIES WITH RESPECT TO FIREARMS.—If, under a State relief from disabilities program implemented in accordance with this section, an application for relief referred to in subsection (a)(1) of this section is granted with respect to an adjudication or a commitment to a mental institution or based upon a removal of a record under section 102(c)(1)(B), the adjudication or commitment, as the case may be, is deemed not to have occurred for purposes of subsections (d)(4) and (g)(4) of section 922 of title 18, United States Code.

SEC. 106. ILLEGAL IMMIGRANT GUN PURCHASE NOTIFICATION.

(a) IN GENERAL.—Notwithstanding any other provision of law or of this Act, all records obtained by the National Instant Criminal Background Check system relevant to whether an individual is prohibited from possessing a firearm because such person is an alien illegally or unlawfully in the United States shall be made available to U.S. Immigration and Customs Enforcement.

(b) REGULATIONS.—The Attorney General, at his or her discretion, shall promulgate guidelines relevant to what records relevant to illegal aliens shall be provided pursuant to the provisions of this Act.

TITLE II—FOCUSING FEDERAL ASSISTANCE ON THE IMPROVEMENT OF RELEVANT RECORDS

SEC. 201. CONTINUING EVALUATIONS.

(a) EVALUATION REQUIRED.—The Director of the Bureau of Justice Statistics (referred to in this section as the ''Director'') shall study and evaluate the operations of the National Instant Criminal Background Check System. Such study and evaluation shall include compilations and analyses of the operations and record systems of the agencies and organizations necessary to support such System.

(b) REPORT ON GRANTS.—Not later than January 31 of each year, the Director shall submit to Congress a report containing the estimates submitted by the States under section 102(b).

(c) REPORT ON BEST PRACTICES.—Not later than January 31 of each year, the Director shall submit to Congress, and to each State participating in the National Criminal History Improvement Program, a report of the practices of the States regarding the collection, maintenance, automation, and transmittal of information relevant to determining whether a person is prohibited from possessing or receiving a firearm by Federal or State law, by the State or any other agency, or any other records relevant to the National Instant Criminal Background Check System, that the Director considers to be best practices.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2009 through 2013 to complete the studies, evaluations, and reports required under this section.

TITLE III—GRANTS TO STATE COURT SYSTEMS FOR THE IMPROVEMENT IN AUTOMATION AND TRANSMITTAL OF DISPOSITION RECORDS

SEC. 301. DISPOSITION RECORDS AUTOMATION AND TRANSMITTAL IMPROVEMENT GRANTS.

(a) GRANTS AUTHORIZED.—From amounts made available to carry out this section, the Attorney General shall make grants to each State, consistent with State plans for the integration, automation, and accessibility of criminal history records, for use by the State court system to improve the automation and transmittal of criminal history dispositions, records relevant to determining whether a person has been convicted of a misdemeanor crime of domestic violence, court orders, and mental health adjudications or commitments, to Federal and State record repositories in accordance with sections 102 and 103 and the National Criminal History Improvement Program.

(b) GRANTS TO INDIAN TRIBES.—Up to 5 percent of the grant funding available under this section may be reserved for Indian tribal governments for use by Indian tribal judicial systems.

(c) USE OF FUNDS.—Amounts granted under this section shall be used by the State court system only—

(1) to carry out, as necessary, assessments of the capabilities of the courts of the State for the automation and transmission of arrest and conviction records, court orders, and mental health adjudications or commitments to Federal and State record repositories; and

(2) to implement policies, systems, and procedures for the automation and transmission of arrest and conviction records, court orders, and mental health adjudications or commitments to Federal and State record repositories.

(d) ELIGIBILITY.—To be eligible to receive a grant under this section, a State shall certify, to the satisfaction of the Attorney General, that the State has implemented a relief from disabilities program in accordance with section 105.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Attorney General to carry out this section $62,500,000 for fiscal year 2009, $125,000,000 for fiscal year 2010, $125,000,000 for fiscal year 2011, $62,500,000 for fiscal year 2012, and $62,500,000 for fiscal year 2013.

TITLE IV—GAO AUDIT

SEC. 401. GAO AUDIT.

(a) IN GENERAL.—The Comptroller General of the United States shall conduct an audit of the expenditure of all funds appropriated for criminal records improvement pursuant to section 106(b) of the Brady Handgun Violence Prevention Act (Public Law 103–159) to determine if the funds were expended for the purposes authorized by the Act and how those funds were expended for those purposes or were otherwise expended.

(b) REPORT.—Not later than 6 months after the date of enactment of this Act, the Comptroller General shall submit a report to Congress describing the findings of the audit conducted pursuant to subsection (a).

SA 3888. Mr. SCHUMER (for Mr. BIDEN (for himself and Mr. MCCONNELL)) proposed an amendment to the bill H.R. 3890, of 2003 to impose import sanctions on Burmese gemstones, expand the number of individuals against whom the visa ban is applicable, expand the blocking of assets and other prohibited activities, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Burma Democracy Promotion Act of 2007''.

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) Beginning on August 19, 2007, hundreds of thousands of citizens of Burma, including thousands of Buddhist monks and students, participated in peaceful demonstrations against rapidly deteriorating living conditions and the violent and repressive policies of the State Peace and Development Council, the ruling military regime in Burma—

(A) to demand the release of all political prisoners, including 1991 Nobel Peace Prize winner Aung San Suu Kyi; and

(B) to urge the SPDC to engage in meaningful dialogue to pursue national reconciliation.

(2) The SPDC violently confronted unarmed demonstrators, killing, injuring, and imprisoning citizens, including several thousand Buddhist monks, and continues to forcefully restrict peaceful forms of public expression.

(3) The Department of State's 2006 Country Reports on Human Rights Practices found that the SPDC—

(A) routinely restricts freedoms of speech, press, assembly, association, religion, and movement;

(B) traffics in persons;

(C) discriminates against women and ethnic minorities;

(D) forcibly recruits child soldiers and child labor; and

(E) commits other serious violations of human rights, including extrajudicial killings, custodial deaths, disappearances, rape, torture, abuse of prisoners and detainees, and the imprisonment of citizens arbitrarily for political motives.

(4) Aung San Suu Kyi has been arbitrarily imprisoned or held under house arrest for more than 12 years.

(5) On September 25, 2007, President Bush announced that the United States would—

(A) tighten economic sanctions against Burma, and block property and interests in property of—

(i) certain senior leaders of the SPDC;

(ii) individuals who provide financial backing for the SPDC; and

(iii) individuals responsible for violations of human rights and for impeding the transition to democracy in Burma; and

(B) impose an expanded visa ban on individuals—

(i) responsible for violations of human rights; and

(ii) who aid, abet, or benefit from the efforts of the SPDC to impede the efforts of the people of Burma to transition to democracy and ensure respect for human dignity.

(6) The Burmese regime and its supporters finance their ongoing violations of human rights, undemocratic policies, and military activities through financial transactions, travel, and trade involving the United States, including the sale of gemstones and hardwoods.

(7) The SPDC seeks to evade the sanctions imposed in the Burmese Freedom and Democracy Act of 2003. Millions of dollars in gemstones that are exported from Burma ultimately enter the United States, but the Burmese regime attempts to conceal the origin of the gemstones in an effort to evade sanctions. For example, over 90 percent of the world's ruby supply originates in Burma but only 3 percent of the rubies entering the United States are claimed to be of Burmese origin. The value of Burmese gemstones is predominantly based on their original quality and geological origin, rather than the labor involved in cutting and polishing the gemstones.

(8) Burma is home to approximately 60 percent of the world's native teak reserves. More than ¼ of the world's internationally traded teak originates from Burma, and hardwood sales, mainly of teak, represent more than 11 percent of Burma's official foreign exchange earnings.

(9) Burma officially exports tens of millions of dollars worth of rubies, sapphires, pearls, jade, and other precious stones each year and the SPDC owns a majority stake in all mining operations within the borders of Burma.

(10) On October 11, 2007, the United Nations Security Council, with the consent of the People's Republic of China, issued a statement condemning the violence in Burma, urging the release of all political prisoners, and calling on the SPDC to enter into a United Nations-mediated dialogue with its political opposition.

(11) The United Nations special envoy Ibrahim Gambari traveled to Burma from September 29, 2007, through October 2, 2007, holding meetings with SPDC leader General Than Shwe and democracy advocate Aung San Suu Kyi in an effort to promote dialogue between the SPDC and democracy advocates.

(12) The leaders of the SPDC will have a greater incentive to cooperate with diplomatic efforts by the United Nations, the Association of Southeast Asian Nations, and the People's Republic of China if they come under targeted economic pressure that denies them access to personal wealth and sources of revenue.

SEC. 3. DEFINITIONS.

In this Act:

(1) ACCOUNT; CORRESPONDENT ACCOUNT; PAYABLE-THROUGH ACCOUNT.—The terms ''account'', ''correspondent account'', and ''payable-through account'' have the meanings given the terms in section 5318A(e)(1) of title 31, United States Code.

(2) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term ''appropriate congressional committees'' means—

(A) the Committee on Foreign Relations of the Senate;

(B) the Committee on Finance of the Senate;

(C) the Committee on Foreign Affairs of the House of Representatives; and

(D) the Committee on Ways and Means of the House of Representatives.

(3) ASEAN.—The term ''ASEAN'' means the Association of Southeast Asian Nations.

(4) PERSON.—The term ''person'' means—

(A) an individual, corporation, company, business association, partnership, society, trust, any other nongovernmental entity, organization, or group; and

(B) any successor, subunit, or subsidiary of any person described in subparagraph (A).

(5) SPDC.—The term ''SPDC'' means the State Peace and Development Council, the ruling military regime in Burma.

(6) UNITED STATES PERSON.—The term ''United States person'' means any United States citizen, permanent resident alien, juridical person organized under the laws of the United States (including foreign branches), or any person in the United States.

SEC. 4. STATEMENT OF POLICY.

It is the policy of the United States to—

(1) condemn the continued repression carried out by the SPDC;

(2) work with the international community, especially the People's Republic of China, India, Thailand, and ASEAN, to foster support for the legitimate democratic aspirations of the people of Burma and to coordinate efforts to impose sanctions on those directly responsible for human rights abuses in Burma;

(3) provide all appropriate support and assistance to aid a peaceful transition to constitutional democracy in Burma;

(4) support international efforts to alleviate the suffering of Burmese refugees and address the urgent humanitarian needs of the Burmese people; and

(5) identify individuals responsible for the repression of peaceful political activity in Burma and hold them accountable for their actions.

SEC. 5. SANCTIONS.

(a) LIST OF OFFICIALS OF THE SPDC.—

(1) IN GENERAL.—Not later than 30 days after the date of the enactment of this Act, the President shall submit to the appropriate congressional committees a list of—

(A) officials of the SPDC who have played a direct and substantial role in the repression of peaceful political activity in Burma or in the commission of other human rights

abuses, including any current or former officials of the security services and judicial institutions of the SPDC; and

(B) any other Burmese persons who provide substantial economic and political support for the SPDC.

(2) UPDATES.—The President shall regularly submit updated versions of the list required under paragraph (1).

(b) SANCTIONS.—

(1) VISA BAN.—A person included on the list required under subsection (a) shall be ineligible for a visa to enter the United States.

(2) FINANCIAL SANCTIONS.—

(A) BLOCKED PROPERTY.—No property or interest in property belonging to a person described in subparagraph (C) may be transferred, paid, exported, withdrawn, or otherwise dealt with if—

(i) the property is located in the United States or within the possession or control of a United States person, including the overseas branch of a United States person; or

(ii) the property comes into the possession or control of a United States person after the date of the enactment of this Act.

(B) FINANCIAL TRANSACTIONS.—Except with respect to transactions authorized under Executive Orders 13047 (May 20, 1997) and 13310 (July 28, 2003), no United States person may engage in a financial transaction with the SPDC or with a person described in subparagraph (C).

(C) PERSON DESCRIBED.—A person is described in this subparagraph if the person is—

(i) an official of the SPDC;

(ii) included on the list required under subsection (a); or

(iii) an immediate family member of a person included on the list required under subsection (a), if the President determines that the person included on the list—

(I) effectively controls the property, for purposes of subparagraph (A); or

(II) would benefit from a financial transaction, for purposes of subparagraph (B).

(c) AUTHORITY FOR ADDITIONAL BANKING SANCTIONS.—

(1) IN GENERAL.—The Secretary of the Treasury, in consultation with the Secretary of State, the Attorney General of the United States, and the Chairman of the Board of Governors of the Federal Reserve System, may prohibit or impose conditions on the opening or maintaining in the United States of a correspondent account or payable-through account by any financial institution (as that term is defined in section 5312 of title 31, United States Code) or financial agency that is organized under the laws of a State, territory, or possession of the United States, for or on behalf of a foreign banking institution, if the Secretary determines that the account might be used—

(A) by a foreign banking institution that holds property or an interest in property belonging to a person on the list required under subsection (a); or

(B) to conduct a transaction on behalf of a person on the list required under subsection (a).

(2) AUTHORITY TO DEFINE TERMS.—The Secretary of the Treasury may, by regulation, further define the terms used in paragraph (1) for purposes of this section, as the Secretary considers appropriate.

(d) RULE OF CONSTRUCTION.—Nothing in this section may be construed to prohibit any contract or other financial transaction with any nongovernmental humanitarian organization in Burma.

(e) EXCEPTIONS.—

(1) IN GENERAL.—The prohibitions and restrictions described in subsections (b) and (c) shall not apply to medicine, medical equipment or supplies, food or feed, or any other form of humanitarian assistance provided to Burma as relief in response to a humanitarian crisis.

(2) ADDITIONAL EXCEPTIONS.—The Secretary of the Treasury may, by regulation, authorize exceptions to the prohibitions and restrictions described in subsection (b) and (c)—

(A) to permit the United States to operate its diplomatic mission;

(B) to permit United States citizens to visit Burma; and

(C) for such other purposes as the Secretary determines to be necessary.

(f) PENALTIES.—Any person who violates any prohibition or restriction described in subsection (b) or (c) shall be subject to the penalties under section 6 of the International Emergency Economic Powers Act (50 U.S.C. 1705) to the same extent as for a violation under that Act.

(g) TERMINATION OF SANCTIONS.—The sanctions imposed under subsection (b) or (c) shall apply until the President determines and certifies to the appropriate congressional committees that the SPDC has—

(1) unconditionally released all political prisoners, including Aung San Suu Kyi and other members of the National League for Democracy;

(2) entered into a substantive dialogue with democratic forces led by the National League for Democracy and the ethnic minorities of Burma on transitioning to democratic government under the rule of law; and

(3) allowed humanitarian access to populations affected by armed conflict in all regions of Burma.

(h) WAIVER.—The sanctions described in subsection (b) or (c) may be waived if the President determines and certifies to the appropriate congressional committees that such waiver is in the national interest of the United States.

SEC. 6. PROHIBITION ON IMPORTATION OF BURMESE GEMS, HARDWOODS, AND OTHER ITEMS.

Section 3(a)(1) of the Burmese Freedom and Democracy Act of 2003 (50 U.S.C. 1701 note) is amended by striking ''a product of Burma.'' and inserting ''produced, mined, manufactured, grown, or assembled in Burma, including—

''(A) any gemstone or rough unfinished geological material mined or extracted from Burma, whether imported as a loose item or as a component of a finished piece of jewelry; and

''(B) any teak or other hardwood timber, regardless of the country in which such hardwood timber is milled, sawn, or otherwise processed, whether imported in unprocessed form or as a part or component of finished furniture or another wood item.''.

SEC. 7. SPECIAL REPRESENTATIVE AND POLICY COORDINATOR FOR BURMA.

(a) UNITED STATES SPECIAL REPRESENTATIVE AND POLICY COORDINATOR FOR BURMA.—The President shall appoint a Special Representative and Policy Coordinator for Burma, by and with the advice and consent of the Senate.

(b) RANK.—The Special Representative and Policy Coordinator for Burma appointed under subsection (a) shall have the rank of ambassador and shall hold the office at the pleasure of the President.

(c) DUTIES AND RESPONSIBILITIES.—The Special Representative and Policy Coordinator for Burma shall—

(1) promote a comprehensive international effort, including multilateral sanctions, direct dialogue with the SPDC and democracy advocates, and support for nongovernmental organizations operating in Burma and neighboring countries, designed to restore civilian democratic rule to Burma and address the urgent humanitarian needs of the Burmese people;

(2) consult broadly, including with the Governments of the People's Republic of China, India, Thailand, and Japan, and the members of ASEAN and the European Union to coordinate policies toward Burma;

(3) assist efforts by the United Nations Special Envoy to secure the release of all political prisoners in Burma and to promote dialogue between the SPDC and leaders of Burma's democracy movement, including Aung San Suu Kyi;

(4) consult with Congress on policies relevant to Burma and the future and welfare of all the Burmese people, including refugees; and

(5) coordinate the imposition of Burma sanctions within the United States Government and with the relevant international financial institutions.

SEC. 8. SENSE OF CONGRESS ON COORDINATION WITH THE ASSOCIATION OF SOUTHEAST ASIAN NATIONS.

It is the sense of Congress that the United States—

(1) joins the foreign ministers of member nations of ASEAN that have expressed concern over the human rights situation in Burma;

(2) encourages ASEAN to take more substantial steps to ensure a peaceful transition to democracy in Burma;

(3) welcomes steps by ASEAN to strengthen its internal governance through the adoption of a formal ASEAN charter;

(4) urges ASEAN to ensure that all members live up to their membership obligations and adhere to the core principles of ASEAN, including respect for, and commitment to, human rights; and

(5) would welcome a decision by ASEAN, consistent with its core documents and its new charter, to review Burma's membership in ASEAN and consider appropriate disciplinary measures, including suspension, until such time as the Government of Burma has demonstrated an improved respect for, and commitment to, human rights.

SEC. 9. SUPPORT FOR CONSTITUTIONAL DEMOCRACY IN BURMA.

(a) IN GENERAL.—The President is authorized to assist Burmese democracy activists who are dedicated to nonviolent opposition to the SPDC in their efforts to promote freedom, democracy, and human rights in Burma.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $5,000,000 to the Secretary of State for fiscal year 2008 to—

(1) provide aid to democracy activists in Burma;

(2) provide aid to individuals and groups conducting democracy programming outside of Burma targeted at a peaceful transition to constitutional democracy inside Burma; and

(3) expand radio and television broadcasting into Burma.

SEC. 10. SUPPORT FOR NONGOVERNMENTAL ORGANIZATIONS ADDRESSING THE HUMANITARIAN NEEDS OF THE BURMESE PEOPLE.

(a) SENSE OF CONGRESS.—It is the sense of Congress that the international community should increase support for nongovernmental organizations attempting to meet the urgent humanitarian needs of the Burmese people.

(b) LICENSES FOR HUMANITARIAN OR RELIGIOUS ACTIVITIES IN BURMA.—Section 5 of the Burmese Freedom and Democracy Act of 2003 (50 U.S.C. 1701) is amended—

(1) by inserting ''(a) OPPOSITION TO ASSISTANCE TO BURMA'' before ''The Secretary''; and

(2) by adding at the end the following:

''(b) LICENSES FOR HUMANITARIAN OR RELIGIOUS ACTIVITIES IN BURMA.—Notwithstanding any other provision of law, the Secretary of the Treasury is authorized to issue

multi-year licenses for humanitarian or religious activities in Burma. Licenses issued pursuant to this section shall be subject to annual review.''.

(c) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—Subject to paragraph (2), there are authorized to be appropriated $11,000,000 to the Secretary of State for fiscal year 2008 to support operations by nongovernmental organizations designed to address the humanitarian needs of the Burmese people inside Burma and in refugee camps in neighboring countries.

(2) LIMITATION.—

(A) IN GENERAL.—Except as provided under subparagraph (B), amounts appropriated pursuant to paragraph (1) may not be provided to—

(i) SPDC-controlled entities;

(ii) entities run by members of the SPDC or their families; or

(iii) entities providing cash or resources to the SPDC, including organizations affiliated with the United Nations.

(B) WAIVER.—The President may waive the funding restriction described in subparagraph (A) if—

(i) the President determines and certifies to the appropriate congressional committees that such waiver is in the national security interests of the United States;

(ii) a description of the national security need for the waiver is submitted to the appropriate congressional committees; and

(iii) the description submitted under clause (ii) is posted on a publicly accessible Internet Web site of the Department of State.

SEC. 11. REPORT ON MILITARY AID TO BURMA.

(a) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Secretary of State shall submit a report to the appropriate congressional committees that—

(1) contains a list of countries that provide military aid to Burma; and

(2) describes the military aid provided by each of the countries described in paragraph (1).

(b) MILITARY AID DEFINED.—In this section, the term ''military aid'' includes—

(1) the provision of weapons, military vehicles, and military aircraft;

(2) the provision of military training; and

(3) conducting joint military exercises.

(c) FORM.—The report required under subsection (a) shall be submitted in unclassified form and may include a classified annex.

SEC. 12. SENSE OF CONGRESS ON INTERNATIONAL ARMS SALES TO BURMA.

It is the sense of Congress that the United States should lead efforts in the United Nations Security Council to impose a mandatory international arms embargo on Burma, curtailing all sales of weapons, ammunition, military vehicles, and military aircraft to Burma until the SPDC releases all political prisoners, restores constitutional rule, and holds free and fair elections to establish a new government.

SA 3889. Mr. SCHUMER (for Mr. BIDEN (for himself and Mr. MCCONNELL)) proposed an amendment to the bill H.R. 3890, of 2003 to impose import sanctions on Burmese gemstones, expand the number of individuals against whom the visa ban is applicable, expand the blocking of assets and other prohibited activities, and for other purposes; as follows:

The title is amended to read as follows:

''An Act to impose sanctions on officials of the State Peace and Development Council in Burma, to amend the Burmese Freedom and Democracy Act of 2003 to prohibit the importation of gemstones and hardwoods from Burma, to promote a coordinated international effort to restore civilian democratic rule to Burma, and for other purposes.''.

SA 3890. Mr. REID (for Mr. BAUCUS) proposed an amendment to the bill H.R. 3997, to amend the Internal Revenue Code of 1986 to provide tax relief and protections for military personnel, and for other purposes; as follows:

In lieu of the matter proposed to be inserted by the amendment of the House to the amendment of the Senate, insert the following:

SECTION 1. SHORT TITLE, ETC.

(a) SHORT TITLE.—This Act may be cited as the ''Defenders of Freedom Tax Relief Act of 2007''.

(b) REFERENCE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

TITLE I—BENEFITS FOR MILITARY

SEC. 101. ELECTION TO INCLUDE COMBAT PAY AS EARNED INCOME FOR PURPOSES OF EARNED INCOME TAX CREDIT.

(a) IN GENERAL.—Clause (vi) of section 32(c)(2)(B) (defining earned income) is amended to read as follows:

''(vi) a taxpayer may elect to treat amounts excluded from gross income by reason of section 112 as earned income.''.

(b) SUNSET NOT APPLICABLE.—Section 105 of the Working Families Tax Relief Act of 2004 (relating to application of EGTRRA sunset to this title) shall not apply to section 104(b) of such Act.

(c) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years ending after December 31, 2007.

SEC. 102. MODIFICATION OF MORTGAGE REVENUE BONDS FOR VETERANS.

(a) QUALIFIED MORTGAGE BONDS USED TO FINANCE RESIDENCES FOR VETERANS WITHOUT REGARD TO FIRST-TIME HOMEBUYER REQUIREMENT.—Subparagraph (D) of section 143(d)(2) (relating to exceptions) is amended by striking ''and before January 1, 2008''.

(b) INCREASE IN BOND LIMITATION FOR ALASKA, OREGON, AND WISCONSIN.—Clause (ii) of section 143(l)(3)(B) (relating to State veterans limit) is amended by striking ''$25,000,000'' each place it appears and inserting ''$100,000,000''.

(c) DEFINITION OF QUALIFIED VETERAN.—Paragraph (4) of section 143(l) (defining qualified veteran) is amended to read as follows:

''(4) QUALIFIED VETERAN.—For purposes of this subsection, the term 'qualified veteran' means any veteran who—

''(A) served on active duty, and

''(B) applied for the financing before the date 25 years after the last date on which such veteran left active service.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to bonds issued after December 31, 2007.

SEC. 103. SURVIVOR AND DISABILITY PAYMENTS WITH RESPECT TO QUALIFIED MILITARY SERVICE.

(a) PLAN QUALIFICATION REQUIREMENT FOR DEATH BENEFITS UNDER USERRA-QUALIFIED ACTIVE MILITARY SERVICE.—Subsection (a) of

section 401 (relating to requirements for qualification) is amended by inserting after paragraph (36) the following new paragraph:

''(37) DEATH BENEFITS UNDER USERRA-QUALIFIED ACTIVE MILITARY SERVICE.—A trust shall not constitute a qualified trust unless the plan provides that, in the case of a participant who dies while performing qualified military service (as defined in section 414(u)), the survivors of the participant are entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) provided under the plan had the participant resumed and then terminated employment on account of death.''.

(b) TREATMENT IN THE CASE OF DEATH OR DISABILITY RESULTING FROM ACTIVE MILITARY SERVICE FOR BENEFIT ACCRUAL PURPOSES.—Subsection (u) of section 414 (relating to special rules relating to veterans' reemployment rights under USERRA) is amended by redesignating paragraphs (9) and (10) as paragraphs (10) and (11), respectively, and by inserting after paragraph (8) the following new paragraph:

''(9) TREATMENT IN THE CASE OF DEATH OR DISABILITY RESULTING FROM ACTIVE MILITARY SERVICE.—

''(A) IN GENERAL.—For benefit accrual purposes, an employer sponsoring a retirement plan may treat an individual who dies or becomes disabled (as defined under the terms of the plan) while performing qualified military service with respect to the employer maintaining the plan as if the individual has resumed employment in accordance with the individual's reemployment rights under chapter 43 of title 38, United States Code, on the day preceding death or disability (as the case may be) and terminated employment on the actual date of death or disability. In the case of any such treatment, and subject to subparagraphs (B) and (C), any full or partial compliance by such plan with respect to the benefit accrual requirements of paragraph (8) with respect to such individual shall be treated for purposes of paragraph (1) as if such compliance were required under such chapter 43.

''(B) NONDISCRIMINATION REQUIREMENT.—Subparagraph (A) shall apply only if all individuals performing qualified military service with respect to the employer maintaining the plan (as determined under subsections (b), (c), (m), and (o)) who die or became disabled as a result of performing qualified military service prior to reemployment by the employer are credited with service and benefits on reasonably equivalent terms.

''(C) DETERMINATION OF BENEFITS.—The amount of employee contributions and the amount of elective deferrals of an individual treated as reemployed under subparagraph (A) for purposes of applying paragraph (8)(C) shall be determined on the basis of the individual's average actual employee contributions or elective deferrals for the lesser of—

''(i) the 12-month period of service with the employer immediately prior to qualified military service, or

''(ii) if service with the employer is less than such 12-month period, the actual length of continuous service with the employer.''.

(c) CONFORMING AMENDMENTS.—

(1) Section 404(a)(2) is amended by striking ''and (31)'' and inserting ''(31), and (37)''.

(2) Section 403(b) is amended by adding at the end the following new paragraph:

''(14) DEATH BENEFITS UNDER USERRA-QUALIFIED ACTIVE MILITARY SERVICE.—This subsection shall not apply to an annuity contract unless such contract meets the requirements of section 401(a)(37).''.

(3) Section 457(g) is amended by adding at the end the following new paragraph:

''(4) DEATH BENEFITS UNDER USERRA-QUALIFIED ACTIVE MILITARY SERVICE.—A plan described in paragraph (1) shall not be treated as an eligible deferred compensation plan unless such plan meets the requirements of section 401(a)(37).''.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply with respect to deaths and disabilities occurring on or after January 1, 2007.

(2) PROVISIONS RELATING TO PLAN AMENDMENTS.—

(A) IN GENERAL.—If this subparagraph applies to any plan or contract amendment, such plan or contract shall be treated as being operated in accordance with the terms of the plan during the period described in subparagraph (B)(iii).

(B) AMENDMENTS TO WHICH SUBPARAGRAPH (A) APPLIES.—

(i) IN GENERAL.—Subparagraph (A) shall apply to any amendment to any plan or annuity contract which is made—

(I) pursuant to the amendments made by subsection (a) or pursuant to any regulation issued by the Secretary of the Treasury under subsection (a), and

(II) on or before the last day of the first plan year beginning on or after January 1, 2009.

In the case of a governmental plan (as defined in section 414(d) of the Internal Revenue Code of 1986), this clause shall be applied by substituting ''2011'' for ''2009'' in subclause (II).

(ii) CONDITIONS.—This paragraph shall not apply to any amendment unless—

(I) the plan or contract is operated as if such plan or contract amendment were in effect for the period described in clause (iii), and

(II) such plan or contract amendment applies retroactively for such period.

(iii) PERIOD DESCRIBED.—The period described in this clause is the period—

(I) beginning on the effective date specified by the plan, and

(II) ending on the date described in clause (i)(II) (or, if earlier, the date the plan or contract amendment is adopted).

SEC. 104. TREATMENT OF DIFFERENTIAL MILITARY PAY AS WAGES.

(a) INCOME TAX WITHHOLDING ON DIFFERENTIAL WAGE PAYMENTS.—

(1) IN GENERAL.—Section 3401 (relating to definitions) is amended by adding at the end the following new subsection:

''(h) DIFFERENTIAL WAGE PAYMENTS TO ACTIVE DUTY MEMBERS OF THE UNIFORMED SERVICES.—

''(1) IN GENERAL.—For purposes of subsection (a), any differential wage payment shall be treated as a payment of wages by the employer to the employee.

''(2) DIFFERENTIAL WAGE PAYMENT.—For purposes of paragraph (1), the term 'differential wage payment' means any payment which—

''(A) is made by an employer to an individual with respect to any period during which the individual is performing service in the uniformed services (as defined in chapter 43 of title 38, United States Code) while on active duty for a period of more than 30 days, and

''(B) represents all or a portion of the wages the individual would have received from the employer if the individual were performing service for the employer.''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to remuneration paid after December 31, 2007.

(b) TREATMENT OF DIFFERENTIAL WAGE PAYMENTS FOR RETIREMENT PLAN PURPOSES.—

(1) PENSION PLANS.—

(A) IN GENERAL.—Section 414(u) (relating to special rules relating to veterans' reemployment rights under USERRA), as amended by section 103(b), is amended by adding at the end the following new paragraph:

''(12) TREATMENT OF DIFFERENTIAL WAGE PAYMENTS.—

''(A) IN GENERAL.—Except as provided in this paragraph, for purposes of applying this title to a retirement plan to which this subsection applies—

''(i) an individual receiving a differential wage payment shall be treated as an employee of the employer making the payment,

''(ii) the differential wage payment shall be treated as compensation, and

''(iii) the plan shall not be treated as failing to meet the requirements of any provision described in paragraph (1)(C) by reason of any contribution or benefit which is based on the differential wage payment.

''(B) SPECIAL RULE FOR DISTRIBUTIONS.—

''(i) IN GENERAL.—Notwithstanding subparagraph (A)(i), for purposes of section 401(k)(2)(B)(i)(I), 403(b)(7)(A)(ii), 403(b)(11)(A), or 457(d)(1)(A)(ii), an individual shall be treated as having been severed from employment during any period the individual is performing service in the uniformed services described in section 3401(h)(2)(A).

''(ii) LIMITATION.—If an individual elects to receive a distribution by reason of clause (i), the plan shall provide that the individual may not make an elective deferral or employee contribution during the 6-month period beginning on the date of the distribution.

''(C) NONDISCRIMINATION REQUIREMENT.—Subparagraph (A)(iii) shall apply only if all employees of an employer (as determined under subsections (b), (c), (m), and (o)) performing service in the uniformed services described in section 3401(h)(2)(A) are entitled to receive differential wage payments on reasonably equivalent terms and, if eligible to participate in a retirement plan maintained by the employer, to make contributions based on the payments on reasonably equivalent terms. For purposes of applying this subparagraph, the provisions of paragraphs (3), (4), and (5) of section 410(b) shall apply.

''(D) DIFFERENTIAL WAGE PAYMENT.—For purposes of this paragraph, the term 'differential wage payment' has the meaning given such term by section 3401(h)(2).''.

(B) CONFORMING AMENDMENT.—The heading for section 414(u) is amended by inserting ''AND TO DIFFERENTIAL WAGE PAYMENTS TO MEMBERS ON ACTIVE DUTY'' after ''USERRA''.

(2) DIFFERENTIAL WAGE PAYMENTS TREATED AS COMPENSATION FOR INDIVIDUAL RETIREMENT PLANS.—Section 219(f)(1) (defining compensation) is amended by adding at the end the following new sentence: ''The term compensation includes any differential wage payment (as defined in section 3401(h)(2)).''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to years beginning after December 31, 2007.

(c) PROVISIONS RELATING TO PLAN AMENDMENTS.—

(1) IN GENERAL.—If this subsection applies to any plan or annuity contract amendment, such plan or contract shall be treated as being operated in accordance with the terms of the plan or contract during the period described in paragraph (2)(B)(i).

(2) AMENDMENTS TO WHICH SECTION APPLIES.—

(A) IN GENERAL.—This subsection shall apply to any amendment to any plan or annuity contract which is made—

(i) pursuant to any amendment made by subsection (b)(1), and

(ii) on or before the last day of the first plan year beginning on or after January 1, 2009.

In the case of a governmental plan (as defined in section 414(d) of the Internal Revenue Code of 1986), this subparagraph shall be applied by substituting ''2011'' for ''2009'' in clause (ii).

(B) CONDITIONS.—This subsection shall not apply to any plan or annuity contract amendment unless—

(i) during the period beginning on the date the amendment described in subparagraph (A)(i) takes effect and ending on the date described in subparagraph (A)(ii) (or, if earlier, the date the plan or contract amendment is adopted), the plan or contract is operated as if such plan or contract amendment were in effect, and

(ii) such plan or contract amendment applies retroactively for such period.

SEC. 105. SPECIAL PERIOD OF LIMITATION WHEN UNIFORMED SERVICES RETIRED PAY IS REDUCED AS A RESULT OF AWARD OF DISABILITY COMPENSATION.

(a) IN GENERAL.—Subsection (d) of section 6511 (relating to special rules applicable to income taxes) is amended by adding at the end the following new paragraph:

''(8) SPECIAL RULES WHEN UNIFORMED SERVICES RETIRED PAY IS REDUCED AS A RESULT OF AWARD OF DISABILITY COMPENSATION.—

''(A) PERIOD OF LIMITATION ON FILING CLAIM.—If the claim for credit or refund relates to an overpayment of tax imposed by subtitle A on account of—

''(i) the reduction of uniformed services retired pay computed under section 1406 or 1407 of title 10, United States Code, or

''(ii) the waiver of such pay under section 5305 of title 38 of such Code,

as a result of an award of compensation under title 38 of such Code pursuant to a determination by the Secretary of Veterans Affairs, the 3-year period of limitation prescribed in subsection (a) shall be extended, for purposes of permitting a credit or refund based upon the amount of such reduction or waiver, until the end of the 1-year period beginning on the date of such determination.

''(B) LIMITATION TO 5 TAXABLE YEARS.—Subparagraph (A) shall not apply with respect to any taxable year which began more than 5 years before the date of such determination.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to claims for credit or refund filed after the date of the enactment of this Act.

(c) TRANSITION RULES.—In the case of a determination described in paragraph (8) of section 6511(d) of the Internal Revenue Code of 1986 (as added by this section) which is made by the Secretary of Veterans Affairs after December 31, 2000, and before the date of the enactment of this Act, such paragraph—

(1) shall not apply with respect to any taxable year which began before January 1, 2001, and

(2) shall be applied by substituting ''the date of the enactment of the Defenders of Freedom Tax Relief Act of 2007'' for ''the date of such determination'' in subparagraph (A) thereof.

SEC. 106. DISTRIBUTIONS FROM RETIREMENT PLANS TO INDIVIDUALS CALLED TO ACTIVE DUTY.

(a) IN GENERAL.—Clause (iv) of section 72(t)(2)(G) is amended by striking '', and before December 31, 2007''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to individuals ordered or called to active duty on or after December 31, 2007.

SEC. 107. DISCLOSURE OF RETURN INFORMATION RELATING TO VETERANS PROGRAMS MADE PERMANENT.

(a) IN GENERAL.—Subparagraph (D) of section 6103(l)(7) (relating to disclosure of return information to Federal, State, and local agencies administering certain programs under the Social Security Act, the Food Stamp Act of 1977, or title 38, United States Code or certain housing assistance programs) is amended by striking the last sentence.

(b) TECHNICAL AMENDMENT.—Section 6103(l)(7)(D)(viii)(III) is amended by striking ''sections 1710(a)(1)(I), 1710(a)(2), 1710(b), and 1712(a)(2)(B)'' and inserting ''sections 1710(a)(2)(G), 1710(a)(3), and 1710(b)''.

SEC. 108. CONTRIBUTIONS OF MILITARY DEATH GRATUITIES TO ROTH IRAS AND EDUCATION SAVINGS ACCOUNTS.

(a) PROVISION IN EFFECT BEFORE PENSION PROTECTION ACT.—Subsection (e) of section 408A (relating to qualified rollover contribution), as in effect before the amendments made by section 824 of the Pension Protection Act of 2006, is amended to read as follows:

''(e) QUALIFIED ROLLOVER CONTRIBUTION.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified rollover contribution' means a rollover contribution to a Roth IRA from another such account, or from an individual retirement plan, but only if such rollover contribution meets the requirements of section 408(d)(3). Such term includes a rollover contribution described in section 402A(c)(3)(A). For purposes of section 408(d)(3)(B), there shall be disregarded any qualified rollover contribution from an individual retirement plan (other than a Roth IRA) to a Roth IRA.

''(2) MILITARY DEATH GRATUITY.—

''(A) IN GENERAL.—The term 'qualified rollover contribution' includes a contribution to a Roth IRA maintained for the benefit of an individual made before the end of the 1-year period beginning on the date on which such individual receives an amount under section 1477 of title 10, United States Code, or section 1967 of title 38 of such Code, with respect to a person, to the extent that such contribution does not exceed—

''(i) the sum of the amounts received during such period by such individual under such sections with respect to such person, reduced by

''(ii) the amounts so received which were contributed to a Coverdell education savings account under section 530(d)(9).

''(B) ANNUAL LIMIT ON NUMBER OF ROLLOVERS NOT TO APPLY.—Section 408(d)(3)(B) shall not apply with respect to amounts treated as a rollover by subparagraph (A).

''(C) APPLICATION OF SECTION 72.—For purposes of applying section 72 in the case of a distribution which is not a qualified distribution, the amount treated as a rollover by reason of subparagraph (A) shall be treated as investment in the contract.''.

(b) PROVISION IN EFFECT AFTER PENSION PROTECTION ACT.—Subsection (e) of section 408A, as in effect after the amendments made by section 824 of the Pension Protection Act of 2006, is amended to read as follows:

''(e) QUALIFIED ROLLOVER CONTRIBUTION.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified rollover contribution' means a rollover contribution—

''(A) to a Roth IRA from another such account,

''(B) from an eligible retirement plan, but only if—

''(i) in the case of an individual retirement plan, such rollover contribution meets the requirements of section 408(d)(3), and

''(ii) in the case of any eligible retirement plan (as defined in section 402(c)(8)(B) other than clauses (i) and (ii) thereof), such rollover contribution meets the requirements of section 402(c), 403(b)(8), or 457(e)(16), as applicable.

For purposes of section 408(d)(3)(B), there shall be disregarded any qualified rollover contribution from an individual retirement plan (other than a Roth IRA) to a Roth IRA.

''(2) MILITARY DEATH GRATUITY.—

''(A) IN GENERAL.—The term 'qualified rollover contribution' includes a contribution to a Roth IRA maintained for the benefit of an individual made before the end of the 1-year period beginning on the date on which such individual receives an amount under section 1477 of title 10, United States Code, or section 1967 of title 38 of such Code, with respect to a person, to the extent that such contribution does not exceed—

''(i) the sum of the amounts received during such period by such individual under such sections with respect to such person, reduced by

''(ii) the amounts so received which were contributed to a Coverdell education savings account under section 530(d)(9).

''(B) ANNUAL LIMIT ON NUMBER OF ROLLOVERS NOT TO APPLY.—Section 408(d)(3)(B) shall not apply with respect to amounts treated as a rollover by the subparagraph (A).

''(C) APPLICATION OF SECTION 72.—For purposes of applying section 72 in the case of a distribution which is not a qualified distribution, the amount treated as a rollover by reason of subparagraph (A) shall be treated as investment in the contract.''.

(c) EDUCATION SAVINGS ACCOUNTS.—Subsection (d) of section 530 is amended by adding at the end the following new paragraph:

''(9) MILITARY DEATH GRATUITY.—

''(A) IN GENERAL.—For purposes of this section, the term 'rollover contribution' includes a contribution to a Coverdell education savings account made before the end of the 1-year period beginning on the date on which the contributor receives an amount under section 1477 of title 10, United States Code, or section 1967 of title 38 of such Code, with respect to a person, to the extent that such contribution does not exceed—

''(i) the sum of the amounts received during such period by such contributor under such sections with respect to such person, reduced by

''(ii) the amounts so received which were contributed to a Roth IRA under section 408A(e)(2) or to another Coverdell education savings account.

''(B) ANNUAL LIMIT ON NUMBER OF ROLLOVERS NOT TO APPLY.—The last sentence of paragraph (5) shall not apply with respect to amounts treated as a rollover by the subparagraph (A).

''(C) APPLICATION OF SECTION 72.—For purposes of applying section 72 in the case of a distribution which is includible in gross income under paragraph (1), the amount treated as a rollover by reason of subparagraph (A) shall be treated as investment in the contract.''.

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided by paragraphs (2) and (3), the amendments made by this section shall apply with respect to deaths from injuries occurring on or after the date of the enactment of this Act.

(2) APPLICATION OF AMENDMENTS TO DEATHS FROM INJURIES OCCURRING ON OR AFTER OCTOBER 7, 2001, AND BEFORE ENACTMENT.—The amendments made by this section shall apply to any contribution made pursuant to section 408A(e)(2) or 530(d)(5) of the Internal Revenue Code of 1986, as amended by this Act, with respect to amounts received under section 1477 of title 10, United States Code, or under section 1967 of title 38 of such Code, for deaths from injuries occurring on or after October 7, 2001, and before the date of the enactment of this Act if such contribution is made not later than 1 year after the date of the enactment of this Act.

(3) PENSION PROTECTION ACT CHANGES.—Section 408A(e)(1) of the Internal Revenue Code

of 1986 (as in effect after the amendments made by subsection (b)) shall apply to taxable years beginning after December 31, 2007.

SEC. 109. SUSPENSION OF 5-YEAR PERIOD DURING SERVICE WITH THE PEACE CORPS.

(a) IN GENERAL.—Subsection (d) of section 121 (relating to special rules) is amended by adding at the end the following new paragraph:

''(12) PEACE CORPS.—

''(A) IN GENERAL.—At the election of an individual with respect to a property, the running of the 5-year period described in subsections (a) and (c)(1)(B) and paragraph (7) of this subsection with respect to such property shall be suspended during any period that such individual or such individual's spouse is serving outside the United States—

''(i) on qualified official extended duty (as defined in paragraph (9)(C)) as an employee of the Peace Corps, or

''(ii) as an enrolled volunteer or volunteer leader under section 5 or 6 (as the case may be) of the Peace Corps Act (22 U.S.C. 2504, 2505).

''(B) APPLICABLE RULES.—For purposes of subparagraph (A), rules similar to the rules of subparagraphs (B) and (D) shall apply.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2007.

SEC. 110. CREDIT FOR EMPLOYER DIFFERENTIAL WAGE PAYMENTS TO EMPLOYEES WHO ARE ACTIVE DUTY MEMBERS OF THE UNIFORMED SERVICES.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 (relating to business credits) is amended by adding at the end the following new section:

''SEC. 45O. EMPLOYER WAGE CREDIT FOR EMPLOYEES WHO ARE ACTIVE DUTY MEMBERS OF THE UNIFORMED SERVICES.

''(a) GENERAL RULE.—For purposes of section 38, in the case of an eligible small business employer, the differential wage payment credit for any taxable year is an amount equal to 20 percent of the sum of the eligible differential wage payments for each of the qualified employees of the taxpayer during such taxable year.

''(b) DEFINITIONS.—For purposes of this section—

''(1) ELIGIBLE DIFFERENTIAL WAGE PAYMENTS.—The term 'eligible differential wage payments' means, with respect to each qualified employee, so much of the differential wage payments (as defined in section 3401(h)(2)) paid to such employee for the taxable year as does not exceed $20,000.

''(2) QUALIFIED EMPLOYEE.—The term 'qualified employee' means a person who has been an employee of the taxpayer for the 91-day period immediately preceding the period for which any differential wage payment is made.

''(3) ELIGIBLE SMALL BUSINESS EMPLOYER.—

''(A) IN GENERAL.—The term 'eligible small business employer' means, with respect to any taxable year, any employer which—

''(i) employed an average of less than 50 employees on business days during such taxable year, and

''(ii) under a written plan of the employer, provides eligible differential wage payments to every qualified employee of the employer.

''(B) CONTROLLED GROUPS.—For purposes of subparagraph (A), all persons treated as a single employer under subsection (b), (c), (m), or (o) of section 414 shall be treated as a single employer.

''(c) COORDINATION WITH OTHER CREDITS.—The amount of credit otherwise allowable under this chapter with respect to compensation paid to any employee shall be reduced by the credit determined under this section with respect to such employee.

''(d) DISALLOWANCE FOR FAILURE TO COMPLY WITH EMPLOYMENT OR REEMPLOYMENT RIGHTS OF MEMBERS OF THE RESERVE COMPONENTS OF THE ARMED FORCES OF THE UNITED STATES.—No credit shall be allowed under subsection (a) to a taxpayer for—

''(1) any taxable year, beginning after the date of the enactment of this section, in which the taxpayer is under a final order, judgment, or other process issued or required by a district court of the United States under section 4323 of title 38 of the United States Code with respect to a violation of chapter 43 of such title, and

''(2) the 2 succeeding taxable years.

''(e) CERTAIN RULES TO APPLY.—For purposes of this section, rules similar to the rules of subsections (c), (d), and (e) of section 52 shall apply.

''(f) TERMINATION.—This section shall not apply to any payments made after December 31, 2009.''.

(b) CREDIT TREATED AS PART OF GENERAL BUSINESS CREDIT.—Section 38(b) (relating to general business credit) is amended by striking ''plus'' at the end of paragraph (30), by striking the period at the end of paragraph (31) and inserting '', plus'', and by adding at the end of following new paragraph:

''(32) the differential wage payment credit determined under section 45O(a).''.

(c) NO DEDUCTION FOR COMPENSATION TAKEN INTO ACCOUNT FOR CREDIT.—Section 280C(a) (relating to rule for employment credits) is amended by inserting ''45O(a),'' after ''45A(a),''.

(d) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

''Sec. 45O. Employer wage credit for employees who are active duty members of the uniformed services.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid after the date of the enactment of this Act.

SEC. 111. STATE PAYMENTS TO SERVICE MEMBERS TREATED AS QUALIFIED MILITARY BENEFITS.

(a) IN GENERAL.—Section 134(b) (defining qualified military benefit) is amended by adding at the end the following new paragraph:

''(6) CERTAIN STATE PAYMENTS.—The term 'qualified military benefit' includes any bonus payment by a State or political subdivision thereof to any member or former member of the uniformed services of the United States or any dependent of such member only by reason of such member's service in an combat zone (as defined in section 112(c)(2), determined without regard to the parenthetical).''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to payments made before, on, or after the date of the enactment of this Act.

SEC. 112. PERMANENT EXCLUSION OF GAIN FROM SALE OF A PRINCIPAL RESIDENCE BY CERTAIN EMPLOYEES OF THE INTELLIGENCE COMMUNITY.

(a) PERMANENT EXCLUSION.—

(1) IN GENERAL.—Section 417(e) of division A of the Tax Relief and Health Care Act of 2006 is amended by striking ''and before January 1, 2011''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to sales or exchanges after December 31, 2010.

(b) DUTY STATION MAY BE INSIDE UNITED STATES.—

(1) IN GENERAL.—Section 121(d)(9)(C) (defining qualified official extended duty) is amended by striking clause (vi).

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to sales or exchanges after the date of the enactment of this Act.

SEC. 113. SPECIAL DISPOSITION RULES FOR UNUSED BENEFITS IN HEALTH FLEXIBLE SPENDING ARRANGEMENTS OF INDIVIDUALS CALLED TO ACTIVE DUTY.

(a) IN GENERAL.—Section 125 (relating to cafeteria plans) is amended by redesignating subsections (h) and (i) as subsection (i) and (j), respectively, and by inserting after subsection (g) the following new subsection:

''(h) SPECIAL RULE FOR UNUSED BENEFITS IN HEALTH FLEXIBLE SPENDING ARRANGEMENTS OF INDIVIDUALS CALLED TO ACTIVE DUTY.—

''(1) IN GENERAL.—For purposes of this title, a plan or other arrangement shall not fail to be treated as a cafeteria plan or health flexible spending arrangement merely because such arrangement provides for qualified reservist distributions.

''(2) QUALIFIED RESERVIST DISTRIBUTION.—For purposes of this subsection, the term 'qualified reservist distribution' means, any distribution to an individual of all or a portion of the balance in the employee's account under such arrangement if—

''(A) such individual was (by reason of being a member of a reserve component (as defined in section 101 of title 37, United States Code)) ordered or called to active duty for a period in excess of 179 days or for an indefinite period, and

''(B) such distribution is made during the period beginning on the date of such order or call and ending on the last date that reimbursements could otherwise be made under such arrangement for the plan year which includes the date of such order or call.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to distributions made after the date of the enactment of this Act.

SEC. 114. OPTION TO EXCLUDE MILITARY BASIC HOUSING ALLOWANCE FOR PURPOSES OF DETERMINING INCOME ELIGIBILITY UNDER LOW-INCOME HOUSING CREDIT AND BOND-FINANCED RESIDENTIAL RENTAL PROJECTS.

(a) IN GENERAL.—The last sentence of 142(d)(2)(B) (relating to income of individuals; area median gross income) is amended to read as follows: ''For purposes of determining income under this subparagraph—

''(i) subsections (g) and (h) of section 7872 shall not apply, and

''(ii) in the case of determinations made before January 1, 2015, payments under section 403 of title 37, United States Code, as a basic pay allowance for housing shall be disregarded if the project is located in a census tract which is designated by the Governor (of the State in which such tract is located) as being in need of housing for members of the Armed Forces of the United States.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect with respect to determinations made after the date of the enactment of this Act.

TITLE II—REVENUE PROVISIONS

SEC. 201. INCREASE IN PENALTY FOR FAILURE TO FILE PARTNERSHIP RETURNS.

(a) INCREASE IN PENALTY AMOUNT.—Paragraph (1) of section 6698(b) (relating to amount per month), as amended by section 8 of the Mortgage Forgiveness Debt Relief Act of 2007, is amended by striking ''$85'' and inserting ''$100''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the amendments made by section 8 of the Mortgage Forgiveness Debt Relief Act of 2007.

SEC. 202. INCREASE IN PENALTY FOR FAILURE TO FILE S CORPORATION RETURNS.

(a) IN GENERAL.—Paragraph (1) of section 6699(b) (relating to amount per month), as

added to the Internal Revenue Code of 1986 by section 9 of the Mortgage Forgiveness Debt Relief Act of 2007, is amended by striking ''$85'' and inserting ''$100''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the amendments made by section 9 of the Mortgage Forgiveness Debt Relief Act of 2007.

SEC. 203. INCREASE IN MINIMUM PENALTY ON FAILURE TO FILE A RETURN OF TAX.

(a) IN GENERAL.—Subsection (a) of section 6651 is amended by striking ''$100'' in the last sentence and inserting ''$225''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to returns the due date for the filing of which (including extensions) is after December 31, 2007.

SEC. 204. REVISION OF TAX RULES ON EXPATRIATION.

(a) IN GENERAL.—Subpart A of part II of subchapter N of chapter 1 is amended by inserting after section 877 the following new section:

''SEC. 877A. TAX RESPONSIBILITIES OF EXPATRIATION.

''(a) GENERAL RULES.—For purposes of this subtitle—

''(1) MARK TO MARKET.—All property of a covered expatriate shall be treated as sold on the day before the expatriation date for its fair market value.

''(2) RECOGNITION OF GAIN OR LOSS.—In the case of any sale under paragraph (1)—

''(A) notwithstanding any other provision of this title, any gain arising from such sale shall be taken into account for the taxable year of the sale, and

''(B) any loss arising from such sale shall be taken into account for the taxable year of the sale to the extent otherwise provided by this title, except that section 1091 shall not apply to any such loss.

Proper adjustment shall be made in the amount of any gain or loss subsequently realized for gain or loss taken into account under the preceding sentence, determined without regard to paragraph (3).

''(3) EXCLUSION FOR CERTAIN GAIN.—

''(A) IN GENERAL.—The amount which would (but for this paragraph) be includible in the gross income of any individual by reason of paragraph (1) shall be reduced (but not below zero) by $600,000.

''(B) ADJUSTMENT FOR INFLATION.—

''(i) IN GENERAL.—In the case of any taxable year beginning in a calendar year after 2008, the dollar amount in subparagraph (A) shall be increased by an amount equal to—

''(I) such dollar amount, multiplied by

''(II) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, by substituting 'calendar year 2007' for 'calendar year 1992' in subparagraph (B) thereof.

''(ii) ROUNDING.—If any amount as adjusted under clause (i) is not a multiple of $1,000, such amount shall be rounded to the nearest multiple of $1,000.

''(b) ELECTION TO DEFER TAX.—

''(1) IN GENERAL.—If the taxpayer elects the application of this subsection with respect to any property treated as sold by reason of subsection (a), the time for payment of the additional tax attributable to such property shall be extended until the due date of the return for the taxable year in which such property is disposed of (or, in the case of property disposed of in a transaction in which gain is not recognized in whole or in part, until such other date as the Secretary may prescribe).

''(2) DETERMINATION OF TAX WITH RESPECT TO PROPERTY.—For purposes of paragraph (1), the additional tax attributable to any property is an amount which bears the same ratio to the additional tax imposed by this chapter for the taxable year solely by reason of subsection (a) as the gain taken into account under subsection (a) with respect to such property bears to the total gain taken into account under subsection (a) with respect to all property to which subsection (a) applies.

''(3) TERMINATION OF EXTENSION.—The due date for payment of tax may not be extended under this subsection later than the due date for the return of tax imposed by this chapter for the taxable year which includes the date of death of the expatriate (or, if earlier, the time that the security provided with respect to the property fails to meet the requirements of paragraph (4), unless the taxpayer corrects such failure within the time specified by the Secretary).

''(4) SECURITY.—

''(A) IN GENERAL.—No election may be made under paragraph (1) with respect to any property unless adequate security is provided with respect to such property.

''(B) ADEQUATE SECURITY.—For purposes of subparagraph (A), security with respect to any property shall be treated as adequate security if—

''(i) it is a bond which is furnished to, and accepted by, the Secretary, which is conditioned on the payment of tax (and interest thereon), and which meets the requirements of section 6325, or

''(ii) it is another form of security for such payment (including letters of credit) that meets such requirements as the Secretary may prescribe.

''(5) WAIVER OF CERTAIN RIGHTS.—No election may be made under paragraph (1) unless the taxpayer makes an irrevocable waiver of any right under any treaty of the United States which would preclude assessment or collection of any tax imposed by reason of this section.

''(6) ELECTIONS.—An election under paragraph (1) shall only apply to property described in the election and, once made, is irrevocable.

''(7) INTEREST.—For purposes of section 6601, the last date for the payment of tax shall be determined without regard to the election under this subsection.

''(c) EXCEPTION FOR CERTAIN PROPERTY.—Subsection (a) shall not apply to—

''(1) any deferred compensation item (as defined in subsection (d)(4)),

''(2) any specified tax deferred account (as defined in subsection (e)(2)), and

''(3) any interest in a nongrantor trust (as defined in subsection (f)(3)).

''(d) TREATMENT OF DEFERRED COMPENSATION ITEMS.—

''(1) WITHHOLDING ON ELIGIBLE DEFERRED COMPENSATION ITEMS.—

''(A) IN GENERAL.—In the case of any eligible deferred compensation item, the payor shall deduct and withhold from any taxable payment to a covered expatriate with respect to such item a tax equal to 30 percent thereof.

''(B) TAXABLE PAYMENT.—For purposes of subparagraph (A), the term 'taxable payment' means with respect to a covered expatriate any payment to the extent it would be includible in the gross income of the covered expatriate if such expatriate continued to be subject to tax as a citizen or resident of the United States. A deferred compensation item shall be taken into account as a payment under the preceding sentence when such item would be so includible.

''(2) OTHER DEFERRED COMPENSATION ITEMS.—In the case of any deferred compensation item which is not an eligible deferred compensation item—

''(A)(i) with respect to any deferred compensation item to which clause (ii) does not apply, an amount equal to the present value of the covered expatriate's accrued benefit shall be treated as having been received by such individual on the day before the expatriation date as a distribution under the plan, and

''(ii) with respect to any deferred compensation item referred to in paragraph (4)(D), the rights of the covered expatriate to such item shall be treated as becoming transferable and not subject to a substantial risk of forfeiture on the day before the expatriation date,

''(B) no early distribution tax shall apply by reason of such treatment, and

''(C) appropriate adjustments shall be made to subsequent distributions from the plan to reflect such treatment.

''(3) ELIGIBLE DEFERRED COMPENSATION ITEMS.—For purposes of this subsection, the term 'eligible deferred compensation item' means any deferred compensation item with respect to which—

''(A) the payor of such item is—

''(i) a United States person, or

''(ii) a person who is not a United States person but who elects to be treated as a United States person for purposes of paragraph (1) and meets such requirements as the Secretary may provide to ensure that the payor will meet the requirements of paragraph (1), and

''(B) the covered expatriate—

''(i) notifies the payor of his status as a covered expatriate, and

''(ii) makes an irrevocable waiver of any right to claim any reduction under any treaty with the United States in withholding on such item.

''(4) DEFERRED COMPENSATION ITEM.—For purposes of this subsection, the term 'deferred compensation item' means—

''(A) any interest in a plan or arrangement described in section 219(g)(5),

''(B) any interest in a foreign pension plan or similar retirement arrangement or program,

''(C) any item of deferred compensation, and

''(D) any property, or right to property, which the individual is entitled to receive in connection with the performance of services to the extent not previously taken into account under section 83 or in accordance with section 83.

''(5) EXCEPTION.—Paragraphs (1) and (2) shall not apply to any deferred compensation item which is attributable to services performed outside the United States while the covered expatriate was not a citizen or resident of the United States.

''(6) SPECIAL RULES.—

''(A) APPLICATION OF WITHHOLDING RULES.—Rules similar to the rules of subchapter B of chapter 3 shall apply for purposes of this subsection.

''(B) APPLICATION OF TAX.—Any item subject to the withholding tax imposed under paragraph (1) shall be subject to tax under section 871.

''(C) COORDINATION WITH OTHER WITHHOLDING REQUIREMENTS.—Any item subject to withholding under paragraph (1) shall not be subject to withholding under section 1441 or chapter 24.

''(e) TREATMENT OF SPECIFIED TAX DEFERRED ACCOUNTS.—

''(1) ACCOUNT TREATED AS DISTRIBUTED.—In the case of any interest in a specified tax deferred account held by a covered expatriate on the day before the expatriation date—

''(A) the covered expatriate shall be treated as receiving a distribution of his entire interest in such account on the day before the expatriation date,

''(B) no early distribution tax shall apply by reason of such treatment, and

''(C) appropriate adjustments shall be made to subsequent distributions from the account to reflect such treatment.

''(2) SPECIFIED TAX DEFERRED ACCOUNT.—For purposes of paragraph (1), the term 'specified tax deferred account' means an individual retirement plan (as defined in section 7701(a)(37)) other than any arrangement described in subsection (k) or (p) of section 408, a qualified tuition program (as defined in section 529), a Coverdell education savings account (as defined in section 530), a health savings account (as defined in section 223), and an Archer MSA (as defined in section 220).

''(f) SPECIAL RULES FOR NONGRANTOR TRUSTS.—

''(1) IN GENERAL.—In the case of a distribution (directly or indirectly) of any property from a nongrantor trust to a covered expatriate—

''(A) the trustee shall deduct and withhold from such distribution an amount equal to 30 percent of the taxable portion of the distribution, and

''(B) if the fair market value of such property exceeds its adjusted basis in the hands of the trust, gain shall be recognized to the trust as if such property were sold to the expatriate at its fair market value.

''(2) TAXABLE PORTION.—For purposes of this subsection, the term 'taxable portion' means, with respect to any distribution, that portion of the distribution which would be includible in the gross income of the covered expatriate if such expatriate continued to be subject to tax as a citizen or resident of the United States.

''(3) NONGRANTOR TRUST.—For purposes of this subsection, the term 'nongrantor trust' means the portion of any trust that the individual is not considered the owner of under subpart E of part I of subchapter J. The determination under the preceding sentence shall be made immediately before the expatriation date.

''(4) SPECIAL RULES RELATING TO WITHHOLDING.—For purposes of this subsection—

''(A) rules similar to the rules of subsection (d)(6) shall apply, and

''(B) the covered expatriate shall be treated as having waived any right to claim any reduction under any treaty with the United States in withholding on any distribution to which paragraph (1)(A) applies unless the covered expatriate agrees to such other treatment as the Secretary determines appropriate.

''(5) APPLICATION.—This subsection shall apply to a nongrantor trust only if the covered expatriate was a beneficiary of the trust on the day before the expatriation date.

''(g) DEFINITIONS AND SPECIAL RULES RELATING TO EXPATRIATION.—For purposes of this section—

''(1) COVERED EXPATRIATE.—

''(A) IN GENERAL.—The term 'covered expatriate' means an expatriate who meets the requirements of subparagraph (A), (B), or (C) of section 877(a)(2).

''(B) EXCEPTIONS.—An individual shall not be treated as meeting the requirements of subparagraph (A) or (B) of section 877(a)(2) if—

''(i) the individual—

''(I) became at birth a citizen of the United States and a citizen of another country and, as of the expatriation date, continues to be a citizen of, and is taxed as a resident of, such other country, and

''(II) has been a resident of the United States (as defined in section 7701(b)(1)(A)(ii)) for not more than 10 taxable years during the 15-taxable year period ending with the taxable year during which the expatriation date occurs, or

''(ii)(I) the individual's relinquishment of United States citizenship occurs before such individual attains age 18½, and

''(II) the individual has been a resident of the United States (as so defined) for not more than 10 taxable years before the date of relinquishment.

''(C) COVERED EXPATRIATES ALSO SUBJECT TO TAX AS CITIZENS OR RESIDENTS.—In the case of any covered expatriate who is subject to tax as a citizen or resident of the United States for any period beginning after the expatriation date, such individual shall not be treated as a covered expatriate during such period for purposes of subsections (d)(1) and (f) and section 2801.

''(2) EXPATRIATE.—The term 'expatriate' means—

''(A) any United States citizen who relinquishes his citizenship, and

''(B) any long-term resident of the United States who ceases to be a lawful permanent resident of the United States (within the meaning of section 7701(b)(6)).

''(3) EXPATRIATION DATE.—The term 'expatriation date' means—

''(A) the date an individual relinquishes United States citizenship, or

''(B) in the case of a long-term resident of the United States, the date on which the individual ceases to be a lawful permanent resident of the United States (within the meaning of section 7701(b)(6)).

''(4) RELINQUISHMENT OF CITIZENSHIP.—A citizen shall be treated as relinquishing his United States citizenship on the earliest of—

''(A) the date the individual renounces his United States nationality before a diplomatic or consular officer of the United States pursuant to paragraph (5) of section 349(a) of the Immigration and Nationality Act (8 U.S.C. 1481(a)(5)),

''(B) the date the individual furnishes to the United States Department of State a signed statement of voluntary relinquishment of United States nationality confirming the performance of an act of expatriation specified in paragraph (1), (2), (3), or (4) of section 349(a) of the Immigration and Nationality Act (8 U.S.C. 1481(a)(1)–(4)),

''(C) the date the United States Department of State issues to the individual a certificate of loss of nationality, or

''(D) the date a court of the United States cancels a naturalized citizen's certificate of naturalization.

Subparagraph (A) or (B) shall not apply to any individual unless the renunciation or voluntary relinquishment is subsequently approved by the issuance to the individual of a certificate of loss of nationality by the United States Department of State.

''(5) LONG-TERM RESIDENT.—The term 'long-term resident' has the meaning given to such term by section 877(e)(2).

''(6) EARLY DISTRIBUTION TAX.—The term 'early distribution tax' means any increase in tax imposed under section 72(t), 220(e)(4), 223(f)(4), 409A(a)(1)(B), 529(c)(6), or 530(d)(4).

''(h) OTHER RULES.—

''(1) TERMINATION OF DEFERRALS, ETC.—In the case of any covered expatriate, notwithstanding any other provision of this title—

''(A) any time period for acquiring property which would result in the reduction in the amount of gain recognized with respect to property disposed of by the taxpayer shall terminate on the day before the expatriation date, and

''(B) any extension of time for payment of tax shall cease to apply on the day before the expatriation date and the unpaid portion of such tax shall be due and payable at the time and in the manner prescribed by the Secretary.

''(2) STEP-UP IN BASIS.—Solely for purposes of determining any tax imposed by reason of subsection (a), property which was held by an individual on the date the individual first became a resident of the United States (within the meaning of section 7701(b)) shall be treated as having a basis on such date of not less than the fair market value of such property on such date. The preceding sentence shall not apply if the individual elects not to have such sentence apply. Such an election, once made, shall be irrevocable.

''(3) COORDINATION WITH SECTION 684.—If the expatriation of any individual would result in the recognition of gain under section 684, this section shall be applied after the application of section 684.

''(i) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section.''.

(b) TAX ON GIFTS AND BEQUESTS RECEIVED BY UNITED STATES CITIZENS AND RESIDENTS FROM EXPATRIATES.—

(1) IN GENERAL.—Subtitle B (relating to estate and gift taxes) is amended by inserting after chapter 14 the following new chapter:

''CHAPTER 15—GIFTS AND BEQUESTS FROM EXPATRIATES

''SEC. 2801. IMPOSITION OF TAX.

''(a) IN GENERAL.—If, during any calendar year, any United States citizen or resident receives any covered gift or bequest, there is hereby imposed a tax equal to the product of—

''(1) the highest rate of tax specified in the table contained in section 2001(c) as in effect on the date of such receipt (or, if greater, the highest rate of tax specified in the table applicable under section 2502(a) as in effect on the date), and

''(2) the value of such covered gift or bequest.

''(b) TAX TO BE PAID BY RECIPIENT.—The tax imposed by subsection (a) on any covered gift or bequest shall be paid by the person receiving such gift or bequest.

''(c) EXCEPTION FOR CERTAIN GIFTS.—Subsection (a) shall apply only to the extent that the value of covered gifts and bequests received by any person during the calendar year exceeds the dollar amount in effect under section 2503(b) for such calendar year.

''(d) TAX REDUCED BY FOREIGN GIFT OR ESTATE TAX.—The tax imposed by subsection (a) on any covered gift or bequest shall be reduced by the amount of any gift or estate tax paid to a foreign country with respect to such covered gift or bequest.

''(e) COVERED GIFT OR BEQUEST.—

''(1) IN GENERAL.—For purposes of this chapter, the term 'covered gift or bequest' means—

''(A) any property acquired by gift directly or indirectly from an individual who, at the time of such acquisition, is a covered expatriate, and

''(B) any property acquired directly or indirectly by reason of the death of an individual who, immediately before such death, was a covered expatriate.

''(2) EXCEPTIONS FOR TRANSFERS OTHERWISE SUBJECT TO ESTATE OR GIFT TAX.—Such term shall not include—

''(A) any property shown on a timely filed return of tax imposed by chapter 12 which is a taxable gift by the covered expatriate, and

''(B) any property included in the gross estate of the covered expatriate for purposes of chapter 11 and shown on a timely filed return of tax imposed by chapter 11 of the estate of the covered expatriate.

''(3) EXCEPTIONS FOR TRANSFERS TO SPOUSE OR CHARITY.—Such term shall not include any property with respect to which a deduction would be allowed under section 2055, 2056, 2522, or 2523, whichever is appropriate, if the decedent or donor were a United States person.

''(4) TRANSFERS IN TRUST.—

''(A) DOMESTIC TRUSTS.—In the case of a covered gift or bequest made to a domestic trust—

''(i) subsection (a) shall apply in the same manner as if such trust were a United States citizen, and

''(ii) the tax imposed by subsection (a) on such gift or bequest shall be paid by such trust.

''(B) FOREIGN TRUSTS.—

''(i) IN GENERAL.—In the case of a covered gift or bequest made to a foreign trust, subsection (a) shall apply to any distribution attributable to such gift or bequest from such trust (whether from income or corpus) to a United States citizen or resident in the same manner as if such distribution were a covered gift or bequest.

''(ii) DEDUCTION FOR TAX PAID BY RECIPIENT.—There shall be allowed as a deduction under section 164 the amount of tax imposed by this section which is paid or accrued by a United States citizen or resident by reason of a distribution from a foreign trust, but only to the extent such tax is imposed on the portion of such distribution which is included in the gross income of such citizen or resident.

''(iii) ELECTION TO BE TREATED AS DOMESTIC TRUST.—Solely for purposes of this section, a foreign trust may elect to be treated as a domestic trust. Such an election may be revoked with the consent of the Secretary.

''(f) COVERED EXPATRIATE.—For purposes of this section, the term 'covered expatriate' has the meaning given to such term by section 877A(g)(1).''.

(2) CLERICAL AMENDMENT.—The table of chapters for subtitle B is amended by inserting after the item relating to chapter 14 the following new item:

''CHAPTER 15. GIFTS AND BEQUESTS FROM EXPATRIATES.''.

(c) DEFINITION OF TERMINATION OF UNITED STATES CITIZENSHIP.—

(1) IN GENERAL.—Section 7701(a) is amended by adding at the end the following new paragraph:

''(50) TERMINATION OF UNITED STATES CITIZENSHIP.—

''(A) IN GENERAL.—An individual shall not cease to be treated as a United States citizen before the date on which the individual's citizenship is treated as relinquished under section 877A(g)(4).

''(B) DUAL CITIZENS.—Under regulations prescribed by the Secretary, subparagraph (A) shall not apply to an individual who became at birth a citizen of the United States and a citizen of another country.''.

(2) CONFORMING AMENDMENTS.—

(A) Paragraph (1) of section 877(e) is amended to read as follows:

''(1) IN GENERAL.—Any long-term resident of the United States who ceases to be a lawful permanent resident of the United States (within the meaning of section 7701(b)(6)) shall be treated for purposes of this section and sections 2107, 2501, and 6039G in the same manner as if such resident were a citizen of the United States who lost United States citizenship on the date of such cessation or commencement.''.

(B) Paragraph (6) of section 7701(b) is amended by adding at the end the following flush sentence:

''An individual shall cease to be treated as a lawful permanent resident of the United States if such individual commences to be treated as a resident of a foreign country under the provisions of a tax treaty between the United States and the foreign country, does not waive the benefits of such treaty applicable to residents of the foreign country, and notifies the Secretary of the commencement of such treatment.''.

(C) Section 7701 is amended by striking subsection (n) and by redesignating subsections (o) and (p) as subsections (n) and (o), respectively.

(d) INFORMATION RETURNS.—Section 6039G is amended—

(1) by inserting ''or 877A'' after ''section 877(b)'' in subsection (a), and

(2) by inserting ''or 877A'' after ''section 877(a)'' in subsection (d).

(e) CLERICAL AMENDMENT.—The table of sections for subpart A of part II of subchapter N of chapter 1 is amended by inserting after the item relating to section 877 the following new item:

''Sec. 877A. Tax responsibilities of expatriation.''.

(f) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in this subsection, the amendments made by this section shall apply to expatriates (as defined in section 877A(g) of the Internal Revenue Code of 1986, as added by this section) whose expatriation date (as so defined) is on or after the date of the enactment of this Act.

(2) GIFTS AND BEQUESTS.—Chapter 15 of the Internal Revenue Code of 1986 (as added by subsection (b)) shall apply to covered gifts and bequests (as defined in section 2801 of such Code, as so added) received on or after the date of the enactment of this Act from transferors whose expatriation date is on or after such date of enactment.

SEC. 205. SPECIAL ENROLLMENT OPTION BY EMPLOYER HEALTH PLANS FOR MEMBERS OF UNIFORM SERVICES WHO LOSE HEALTH CARE COVERAGE.

(a) IN GENERAL.—Section 9801(f) (relating to special enrollment periods) is amended by adding at the end the following new paragraph:

''(3) LOSS OF MILITARY HEALTH COVERAGE.—

''(A) IN GENERAL.—Notwithstanding paragraphs (1) and (2), a group health plan shall permit an employee who is eligible, but not enrolled, for coverage under the terms of the plan (or a dependent of such an employee if the dependent is eligible, but not enrolled, for coverage under such terms) to enroll for coverage under the terms of the plan if each of the following conditions is met:

''(i) The employee or dependent, by reason of service in the uniformed services (within the meaning of section 4303 of title 38, United States Code), was covered under a Federal health care benefit program (including coverage under the TRICARE program (as that term is defined in section 1072 of title 10, United States Code) or by reason of entitlement to health care benefits under the laws administered by the Secretary of Veterans Affairs or as a member of the uniformed services on active duty), and the employee or dependent loses eligibility for such coverage.

''(ii) The employee or dependent is otherwise eligible to enroll for coverage under the terms of the plan.

''(iii) The employee requests such coverage not later than 90 days after the date on which the coverage described in clause (i) terminated.

''(B) EFFECTIVE DATE OF COVERAGE.—Coverage requested under subparagraph (A)(iii) shall become effective not later than the first day of the first month after the date of such request.''.

(b) EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—Section 701(f) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1181(f)) is amended by adding at the end the following:

''(3) LOSS OF MILITARY HEALTH COVERAGE.—

''(A) IN GENERAL.—Notwithstanding paragraphs (1) and (2), a group health plan, and a health insurance issuer offering group health insurance coverage in connection with a group health plan, shall permit an employee who is eligible, but not enrolled, for coverage under the terms of the plan (or a dependent of such an employee if the dependent is eligible, but not enrolled, for coverage under such terms) to enroll for coverage under the terms of the plan if each of the following conditions is met:

''(i) The employee or dependent, by reason of service in the uniformed services (within the meaning of section 4303 of title 38, United States Code), was covered under a Federal health care benefit program (including coverage under the TRICARE program (as that term is defined in section 1072 of title 10, United States Code) or by reason of entitlement to health care benefits under the laws administered by the Secretary of Veterans Affairs or as a member of the uniformed services on active duty), and the employee or dependent loses eligibility for such coverage.

''(ii) The employee or dependent is otherwise eligible to enroll for coverage under the terms of the plan.

''(iii) The employee requests such coverage not later than 90 days after the date on which the coverage described in clause (i) terminated.

''(B) EFFECTIVE DATE OF COVERAGE.—Coverage requested under subparagraph (A)(iii) shall become effective not later than the first day of the first month after the date of such request.''.

(c) PUBLIC HEALTH SERVICE ACT.—Section 2701(f) of the Public Health Service Act (42 U.S.C. 300gg(f)) is amended by adding at the end the following:

''(3) LOSS OF MILITARY HEALTH COVERAGE.—

''(A) IN GENERAL.—Notwithstanding paragraphs (1) and (2), a group health plan, and a health insurance issuer offering group health insurance coverage in connection with a group health plan, shall permit an employee who is eligible, but not enrolled, for coverage under the terms of the plan (or a dependent of such an employee if the dependent is eligible, but not enrolled, for coverage under such terms) to enroll for coverage under the terms of the plan if each of the following conditions is met:

''(i) The employee or dependent, by reason of service in the uniformed services (within the meaning of section 4303 of title 38, United States Code), was covered under a Federal health care benefit program (including coverage under the TRICARE program (as that term is defined in section 1072 of title 10, United States Code) or by reason of entitlement to health care benefits under the laws administered by the Secretary of Veterans Affairs or as a member of the uniformed services on active duty), and the employee or dependent loses eligibility for such coverage.

''(ii) The employee or dependent is otherwise eligible to enroll for coverage under the terms of the plan.

''(iii) The employee requests such coverage not later than 90 days after the date on which the coverage described in clause (i) terminated.

''(B) EFFECTIVE DATE OF COVERAGE.—Coverage requested under subparagraph (A)(iii) shall become effective not later than the first day of the first month after the date of such request.''.

(d) REGULATIONS.—The Secretary of the Treasury, the Secretary of Labor, and the Secretary of Health and Human Services, consistent with section 104 of the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 300gg–92 note), may promulgate such regulations as may be necessary or appropriate to require the notification of individuals (or their dependents) of their rights under the amendment made by this Act.

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect 90 days after the date of the enactment of this Act.

TITLE III—TAX TECHNICAL CORRECTIONS

SEC. 301. SHORT TITLE.

This title may be cited as the ''''.

SEC. 302. AMENDMENT RELATED TO THE TAX RELIEF AND HEALTH CARE ACT OF 2006.

(a) AMENDMENT RELATED TO SECTION 402 OF DIVISION A OF THE ACT.—Subparagraph (A) of section 53(e)(2) is amended to read as follows:

''(A) IN GENERAL.—The term 'AMT refundable credit amount' means, with respect to any taxable year, the amount (not in excess of the long-term unused minimum tax credit for such taxable year) equal to the greater of—

''(i) $5,000,

''(ii) 20 percent of the long-term unused minimum tax credit for such taxable year, or

''(iii) the amount (if any) of the AMT refundable credit amount determined under this paragraph for the taxpayer's preceding taxable year (as determined before any reduction under subparagraph (B)).''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the provision of the Tax Relief and Health Care Act of 2006 to which it relates.

SEC. 303. AMENDMENTS RELATED TO TITLE XII OF THE PENSION PROTECTION ACT OF 2006.

(a) AMENDMENT RELATED TO SECTION 1201 OF THE ACT.—Subparagraph (D) of section 408(d)(8) is amended by striking ''all amounts distributed from all individual retirement plans were treated as 1 contract under paragraph (2)(A) for purposes of determining the inclusion of such distribution under section 72'' and inserting ''all amounts in all individual retirement plans of the individual were distributed during such taxable year and all such plans were treated as 1 contract for purposes of determining under section 72 the aggregate amount which would have been so includible''.

(b) AMENDMENT RELATED TO SECTION 1203 OF THE ACT.—Subsection (d) of section 1366 is amended by adding at the end the following new paragraph:

''(4) APPLICATION OF LIMITATION ON CHARITABLE CONTRIBUTIONS.—In the case of any charitable contribution of property to which the second sentence of section 1367(a)(2) applies, paragraph (1) shall not apply to the extent of the excess (if any) of—

''(A) the shareholder's pro rata share of such contribution, over

''(B) the shareholder's pro rata share of the adjusted basis of such property.''.

(c) AMENDMENT RELATED TO SECTION 1215 OF THE ACT.—Subclause (I) of section 170(e)(7)(D)(i) is amended by striking ''related'' and inserting ''substantial and related''.

(d) AMENDMENTS RELATED TO SECTION 1218 OF THE ACT.—

(1) Section 2055 is amended by striking subsection (g) and by redesignating subsection (h) as subsection (g).

(2) Subsection (e) of section 2522 is amended—

(A) by striking paragraphs (2) and (4),

(B) by redesignating paragraph (3) as paragraph (2), and

(C) by adding at the end of paragraph (2), as so redesignated, the following new subparagraph:

''(C) INITIAL FRACTIONAL CONTRIBUTION.—For purposes of this paragraph, the term 'initial fractional contribution' means, with respect to any donor, the first gift of an undivided portion of the donor's entire interest in any tangible personal property for which a deduction is allowed under subsection (a) or (b).''.

(e) AMENDMENTS RELATED TO SECTION 1219 OF THE ACT.—

(1) Paragraph (2) of section 6695A(a) is amended by inserting ''a substantial estate or gift tax valuation understatement (within the meaning of section 6662(g)),'' before ''or a gross valuation misstatement''.

(2) Paragraph (1) of section 6696(d) is amended by striking ''or under section 6695'' and inserting '', section 6695, or 6695A''.

(f) AMENDMENT RELATED TO SECTION 1221 OF THE ACT.—Subparagraph (A) of section 4940(c)(4) is amended to read as follows:

''(A) There shall not be taken into account any gain or loss from the sale or other disposition of property to the extent that such gain or loss is taken into account for purposes of computing the tax imposed by section 511.''.

(g) AMENDMENT RELATED TO SECTION 1225 OF THE ACT.—

(1) Subsection (b) of section 6104 is amended—

(A) by striking ''INFORMATION'' in the heading, and

(B) by adding at the end the following: ''Any annual return which is filed under section 6011 by an organization described in section 501(c)(3) and which relates to any tax imposed by section 511 (relating to imposition of tax on unrelated business income of charitable, etc., organizations) shall be treated for purposes of this subsection in the same manner as if furnished under section 6033.''.

(2) Clause (ii) of section 6104(d)(1)(A) is amended to read as follows:

''(ii) any annual return which is filed under section 6011 by an organization described in section 501(c)(3) and which relates to any tax imposed by section 511 (relating to imposition of tax on unrelated business income of charitable, etc., organizations),''.

(3) Paragraph (2) of section 6104(d) is amended by striking ''section 6033'' and inserting ''section 6011 or 6033''.

(h) AMENDMENT RELATED TO SECTION 1231 OF THE ACT.—Subsection (b) of section 4962 is amended by striking ''or D'' and inserting ''D, or G''.

(i) AMENDMENT RELATED TO SECTION 1242 OF THE ACT.—

(1) Subclause (II) of section 4958(c)(3)(A)(i) is amended by striking ''paragraph (1), (2), or (4) of section 509(a)'' and inserting ''subparagraph (C)(ii)''.

(2) Clause (ii) of section 4958(c)(3)(C) is amended to read as follows:

''(ii) EXCEPTION.—Such term shall not include—

''(I) any organization described in paragraph (1), (2), or (4) of section 509(a), and

''(II) any organization which is treated as described in such paragraph (2) by reason of the last sentence of section 509(a) and which is a supported organization (as defined in section 509(f)(3)) of the organization to which subparagraph (A) applies.''.

(j) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provisions of the Pension Protection Act of 2006 to which they relate.

SEC. 304. AMENDMENTS RELATED TO THE TAX INCREASE PREVENTION AND RECONCILIATION ACT OF 2005.

(a) AMENDMENTS RELATED TO SECTION 103 OF THE ACT.—Paragraph (6) of section 954(c) is amended by redesignating subparagraph (B) as subparagraph (C) and inserting after subparagraph (A) the following new subparagraph:

''(B) EXCEPTION.—Subparagraph (A) shall not apply in the case of any interest, rent, or royalty to the extent such interest, rent, or royalty creates (or increases) a deficit which under section 952(c) may reduce the subpart F income of the payor or another controlled foreign corporation.''.

(b) AMENDMENTS RELATED TO SECTION 202 OF THE ACT.—

(1) Subparagraph (A) of section 355(b)(2) is amended to read as follows:

''(A) it is engaged in the active conduct of a trade or business,''.

(2) Paragraph (3) of section 355(b) is amended to read as follows:

''(3) SPECIAL RULES FOR DETERMINING ACTIVE CONDUCT IN THE CASE OF AFFILIATED GROUPS.—

''(A) IN GENERAL.—For purposes of determining whether a corporation meets the requirements of paragraph (2)(A), all members of such corporation's separate affiliated group shall be treated as one corporation.

''(B) SEPARATE AFFILIATED GROUP.—For purposes of this paragraph, the term 'separate affiliated group' means, with respect to any corporation, the affiliated group which would be determined under section 1504(a) if such corporation were the common parent and section 1504(b) did not apply.

''(C) TREATMENT OF TRADE OR BUSINESS CONDUCTED BY ACQUIRED MEMBER.—If a corporation became a member of a separate affiliated group as a result of one or more transactions in which gain or loss was recognized in whole or in part, any trade or business conducted by such corporation (at the time that such corporation became such a member) shall be treated for purposes of paragraph (2) as acquired in a transaction in which gain or loss was recognized in whole or in part.

''(D) REGULATIONS.—The Secretary shall prescribe such regulations as are necessary or appropriate to carry out the purposes of this paragraph, including regulations which provide for the proper application of subparagraphs (B), (C), and (D) of paragraph (2), and modify the application of subsection (a)(3)(B), in connection with the application of this paragraph.''.

(3) The Internal Revenue Code of 1986 shall be applied and administered as if the amendments made by section 202 of the Tax Increase Prevention and Reconciliation Act of 2005 and by section 410 of division A of the Tax Relief and Health Care Act of 2006 had never been enacted.

(c) AMENDMENT RELATED TO SECTION 515 OF THE ACT.—Subsection (f) of section 911 is amended to read as follows:

''(f) DETERMINATION OF TAX LIABILITY.—

''(1) IN GENERAL.—If, for any taxable year, any amount is excluded from gross income of a taxpayer under subsection (a), then, notwithstanding sections 1 and 55—

''(A) if such taxpayer has taxable income for such taxable year, the tax imposed by section 1 for such taxable year shall be equal to the excess (if any) of—

''(i) the tax which would be imposed by section 1 for such taxable year if the taxpayer's taxable income were increased by the amount excluded under subsection (a) for such taxable year, over

''(ii) the tax which would be imposed by section 1 for such taxable year if the taxpayer's taxable income were equal to the amount excluded under subsection (a) for such taxable year, and

''(B) if such taxpayer has a taxable excess (as defined in section 55(b)(1)(A)(ii)) for such taxable year, the amount determined under the first sentence of section 55(b)(1)(A)(i) for such taxable year shall be equal to the excess (if any) of—

''(i) the amount which would be determined under such sentence for such taxable year (subject to the limitation of section 55(b)(3)) if the taxpayer's taxable excess (as so defined) were increased by the amount excluded under subsection (a) for such taxable year, over

''(ii) the amount which would be determined under such sentence for such taxable year if the taxpayer's taxable excess (as so defined) were equal to the amount excluded under subsection (a) for such taxable year.

''(2) SPECIAL RULES.—

''(A) REGULAR TAX.—In applying section 1(h) for purposes of determining the tax under paragraph (1)(A)(i) for any taxable

year in which, without regard to this subsection, the taxpayer's net capital gain exceeds taxable income (hereafter in this subparagraph referred to as the capital gain excess)—

''(i) the taxpayer's net capital gain (determined without regard to section 1(h)(11)) shall be reduced (but not below zero) by such capital gain excess,

''(ii) the taxpayer's qualified dividend income shall be reduced by so much of such capital gain excess as exceeds the taxpayer's net capital gain (determined without regard to section 1(h)(11) and the reduction under clause (i)), and

''(iii) adjusted net capital gain, unrecaptured section 1250 gain, and 28-percent rate gain shall each be determined after increasing the amount described in section 1(h)(4)(B) by such capital gain excess.

''(B) ALTERNATIVE MINIMUM TAX.—In applying section 55(b)(3) for purposes of determining the tax under paragraph (1)(B)(i) for any taxable year in which, without regard to this subsection, the taxpayer's net capital gain exceeds the taxable excess (as defined in section 55(b)(1)(A)(ii))—

''(i) the rules of subparagraph (A) shall apply, except that such subparagraph shall be applied by substituting 'the taxable excess (as defined in section 55(b)(1)(A)(ii))' for 'taxable income', and

''(ii) the reference in section 55(b)(3)(B) to the excess described in section 1(h)(1)(B) shall be treated as a reference to such excess as determined under the rules of subparagraph (A) for purposes of determining the tax under paragraph (1)(A)(i).

''(C) DEFINITIONS.—Terms used in this paragraph which are also used in section 1(h) shall have the respective meanings given such terms by section 1(h), except that in applying subparagraph (B) the adjustments under part VI of subchapter A shall be taken into account.''.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall take effect as if included in the provisions of the Tax Increase Prevention and Reconciliation Act of 2005 to which they relate.

(2) MODIFICATION OF ACTIVE BUSINESS DEFINITION UNDER SECTION 355.—

(A) IN GENERAL.—Except as otherwise provided in this paragraph, the amendments made by subsection (b) shall apply to distributions made after May 17, 2006.

(B) TRANSITION RULE.—The amendments made by subsection (b) shall not apply to any distribution pursuant to a transaction which is—

(i) made pursuant to an agreement which was binding on May 17, 2006, and at all times thereafter,

(ii) described in a ruling request submitted to the Internal Revenue Service on or before such date, or

(iii) described on or before such date in a public announcement or in a filing with the Securities and Exchange Commission.

(C) ELECTION OUT OF TRANSITION RULE.—Subparagraph (B) shall not apply if the distributing corporation elects not to have such subparagraph apply to distributions of such corporation. Any such election, once made, shall be irrevocable.

(D) SPECIAL RULE FOR CERTAIN PRE-ENACTMENT DISTRIBUTIONS.—For purposes of determining the continued qualification under section 355(b)(2)(A) of the Internal Revenue Code of 1986 of distributions made on or before May 17, 2006, as a result of an acquisition, disposition, or other restructuring after such date, such distribution shall be treated as made on the date of such acquisition, disposition, or restructuring for purposes of applying subparagraphs (A) through (C) of this paragraph. The preceding sentence shall only apply with respect to the corporation that undertakes such acquisition, disposition, or other restructuring, and only if such application results in continued qualification under section 355(b)(2)(A) of such Code.

(3) AMENDMENT RELATED TO SECTION 515 OF THE ACT.—The amendment made by subsection (c) shall apply to taxable years beginning after December 31, 2006.

SEC. 305. AMENDMENTS RELATED TO THE SAFE, ACCOUNTABLE, FLEXIBLE, EFFICIENT TRANSPORTATION EQUITY ACT: A LEGACY FOR USERS.

(a) AMENDMENTS RELATED TO SECTION 11113 OF THE ACT.—

(1) Paragraph (3) of section 6427(i) is amended—

(A) by inserting ''or under subsection (e)(2) by any person with respect to an alternative fuel (as defined in section 6426(d)(2))'' after ''section 6426'' in subparagraph (A),

(B) by inserting ''or (e)(2)'' after ''subsection (e)(1)'' in subparagraphs (A)(i) and (B), and

(C) by striking ''ALCOHOL FUEL AND BIODIESEL MIXTURE CREDIT'' and inserting ''MIXTURE CREDITS AND THE ALTERNATIVE FUEL CREDIT'' in the heading thereof.

(2) Subparagraph (F) of section 6426(d)(2) is amended by striking ''hydrocarbons'' and inserting ''fuel''.

(3) Section 6426 is amended by adding at the end the following new subsection:

''(h) DENIAL OF DOUBLE BENEFIT.—No credit shall be determined under subsection (d) or (e) with respect to any fuel with respect to which credit may be determined under subsection (b) or (c) or under section 40 or 40A.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provisions of the SAFETEA–LU to which they relate.

SEC. 306. AMENDMENTS RELATED TO THE ENERGY POLICY ACT OF 2005.

(a) AMENDMENT RELATED TO SECTION 1306 OF THE ACT.—Paragraph (2) of section 45J(b) is amended to read as follows:

''(2) AMOUNT OF NATIONAL LIMITATION.—The aggregate amount of national megawatt capacity limitation allocated by the Secretary under paragraph (3) shall not exceed 6,000 megawatts.''.

(b) AMENDMENTS RELATED TO SECTION 1342 OF THE ACT.—

(1) So much of subsection (b) of section 30C as precedes paragraph (1) thereof is amended to read as follows:

''(b) LIMITATION.—The credit allowed under subsection (a) with respect to all qualified alternative fuel vehicle refueling property placed in service by the taxpayer during the taxable year at a location shall not exceed—''.

(2) Subsection (c) of section 30C is amended to read as follows:

''(c) QUALIFIED ALTERNATIVE FUEL VEHICLE REFUELING PROPERTY.—For purposes of this section, the term 'qualified alternative fuel vehicle refueling property' has the same meaning as the term 'qualified clean-fuel vehicle refueling property' would have under section 179A if—

''(1) paragraph (1) of section 179A(d) did not apply to property installed on property which is used as the principal residence (within the meaning of section 121) of the taxpayer, and

''(2) only the following were treated as clean-burning fuels for purposes of section 179A(d):

''(A) Any fuel at least 85 percent of the volume of which consists of one or more of the following: ethanol, natural gas, compressed natural gas, liquified natural gas, liquefied petroleum gas, or hydrogen.

''(B) Any mixture—

''(i) which consists of two or more of the following: biodiesel (as defined in section 40A(d)(1)), diesel fuel (as defined in section 4083(a)(3)), or kerosene, and

''(ii) at least 20 percent of the volume of which consists of biodiesel (as so defined) determined without regard to any kerosene in such mixture.''.

(c) AMENDMENTS RELATED TO SECTION 1351 OF THE ACT.—

(1) Paragraph (3) of section 41(a) is amended by inserting ''for energy research'' before the period at the end.

(2) Paragraph (6) of section 41(f) is amended by adding at the end the following new subparagraph:

''(E) ENERGY RESEARCH.—The term 'energy research' does not include any research which is not qualified research.''.

(d) AMENDMENTS RELATED TO SECTION 1362 OF THE ACT.—

(1)(A) Paragraph (1) of section 4041(d) is amended by adding at the end the following new sentence: ''No tax shall be imposed under the preceding sentence on the sale or use of any liquid if tax was imposed with respect to such liquid under section 4081 at the Leaking Underground Storage Tank Trust Fund financing rate.''.

(B) Paragraph (3) of section 4042(b) is amended to read as follows:

''(3) EXCEPTION FOR FUEL ON WHICH LEAKING UNDERGROUND STORAGE TANK TRUST FUND FINANCING RATE SEPARATELY IMPOSED.—The Leaking Underground Storage Tank Trust Fund financing rate under paragraph (2)(B) shall not apply to the use of any fuel if tax was imposed with respect to such fuel under section 4041(d) or 4081 at the Leaking Underground Storage Tank Trust Fund financing rate.''.

(C) Notwithstanding section 6430 of the Internal Revenue Code of 1986, a refund, credit, or payment may be made under subchapter B of chapter 65 of such Code for taxes imposed with respect to any liquid after September 30, 2005, and before the date of the enactment of this Act under section 4041(d)(1) or 4042 of such Code at the Leaking Underground Storage Tank Trust Fund financing rate to the extent that tax was imposed with respect to such liquid under section 4081 at the Leaking Underground Storage Tank Trust Fund financing rate.

(2)(A) Paragraph (5) of section 4041(d) is amended—

(i) by striking ''(other than with respect to any sale for export under paragraph (3) thereof)'', and

(ii) by adding at the end the following new sentence: ''The preceding sentence shall not apply with respect to subsection (g)(3) and so much of subsection (g)(1) as relates to vessels (within the meaning of section 4221(d)(3)) employed in foreign trade or trade between the United States and any of its possessions.''.

(B) Section 4082 is amended—

(i) by striking ''(other than such tax at the Leaking Underground Storage Tank Trust Fund financing rate imposed in all cases other than for export)'' in subsection (a), and

(ii) by redesignating subsections (f) and (g) as subsections (g) and (h), respectively, and by inserting after subsection (e) the following new subsection:

''(f) EXCEPTION FOR LEAKING UNDERGROUND STORAGE TANK TRUST FUND FINANCING RATE.—

''(1) IN GENERAL.—Subsection (a) shall not apply to the tax imposed under section 4081 at the Leaking Underground Storage Tank Trust Fund financing rate.

''(2) EXCEPTION FOR EXPORT, ETC.—Paragraph (1) shall not apply with respect to any fuel if the Secretary determines that such fuel is destined for export or for use by the purchaser as supplies for vessels (within the meaning of section 4221(d)(3)) employed in foreign trade or trade between the United States and any of its possessions.''.

(C) Subsection (e) of section 4082 is amended—

(i) by striking ''an aircraft, the rate of tax under section 4081(a)(2)(A)(iii) shall be zero.'' and inserting ''an aircraft—

''(1) the rate of tax under section 4081(a)(2)(A)(iii) shall be zero, and

''(2) if such aircraft is employed in foreign trade or trade between the United States and any of its possessions, the increase in such rate under section 4081(a)(2)(B) shall be zero.''; and

(ii) by moving the last sentence flush with the margin of such subsection (following the paragraph (2) added by clause (i)).

(D) Section 6430 is amended to read as follows:

''SEC. 6430. TREATMENT OF TAX IMPOSED AT LEAKING UNDERGROUND STORAGE TANK TRUST FUND FINANCING RATE.

''No refunds, credits, or payments shall be made under this subchapter for any tax imposed at the Leaking Underground Storage Tank Trust Fund financing rate, except in the case of fuels—

''(1) which are exempt from tax under section 4081(a) by reason of section 4082(f)(2),

''(2) which are exempt from tax under section 4041(d) by reason of the last sentence of paragraph (5) thereof, or

''(3) with respect to which the rate increase under section 4081(a)(2)(B) is zero by reason of section 4082(e)(2).''.

(3) Paragraph (5) of section 4041(d) is amended by inserting ''(b)(1)(A),'' after ''subsections''.

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall take effect as if included in the provisions of the Energy Policy Act of 2005 to which they relate.

(2) NONAPPLICATION OF EXEMPTION FOR OFF-HIGHWAY BUSINESS USE.—The amendment made by subsection (d)(3) shall apply to fuel sold for use or used after the date of the enactment of this Act.

(3) AMENDMENT MADE BY THE SAFETEA–LU.—The amendment made by subsection (d)(2)(C)(ii) shall take effect as if included in section 11161 of the SAFETEA–LU.

SEC. 307. AMENDMENTS RELATED TO THE AMERICAN JOBS CREATION ACT OF 2004.

(a) AMENDMENTS RELATED TO SECTION 339 OF THE ACT.—

(1)(A) Section 45H is amended by striking subsection (d) and by redesignating subsections (e), (f), and (g) as subsections (d), (e), and (f), respectively.

(B) Subsection (d) of section 280C is amended to read as follows:

''(d) CREDIT FOR LOW SULFUR DIESEL FUEL PRODUCTION.—The deductions otherwise allowed under this chapter for the taxable year shall be reduced by the amount of the credit determined for the taxable year under section 45H(a).''.

(C) Subsection (a) of section 1016 is amended by striking paragraph (31) and by redesignating paragraphs (32) through (37) as paragraphs (31) through (36), respectively.

(2)(A) Section 45H, as amended by paragraph (1), is amended by adding at the end the following new subsection:

''(g) ELECTION TO NOT TAKE CREDIT.—No credit shall be determined under subsection (a) for the taxable year if the taxpayer elects not to have subsection (a) apply to such taxable year.''.

(B) Subsection (m) of section 6501 is amended by inserting ''45H(g),'' after ''45C(d)(4),''.

(3)(A) Subsections (b)(1)(A), (c)(2), (e)(1), and (e)(2) of section 45H (as amended by paragraph (1)) and section 179B(a) are each amended by striking ''qualified capital costs'' and inserting ''qualified costs''.

(B) The heading of paragraph (2) of section 45H(c) is amended by striking ''CAPITAL''.

(C) Subsection (a) of section 179B is amended by inserting ''and which are properly chargeable to capital account'' before the period at the end.

(b) AMENDMENTS RELATED TO SECTION 710 OF THE ACT.—

(1) Clause (ii) of section 45(c)(3)(A) is amended by striking ''which is segregated from other waste materials and''.

(2) Subparagraph (B) of section 45(d)(2) is amended by inserting ''and'' at the end of clause (i), by striking clause (ii), and by redesignating clause (iii) as clause (ii).

(c) AMENDMENTS RELATED TO SECTION 848 OF THE ACT.—

(1) Paragraph (2) of section 470(c) is amended to read as follows:

''(2) TAX-EXEMPT USE PROPERTY.—

''(A) IN GENERAL.—The term 'tax-exempt use property' has the meaning given to such term by section 168(h), except that such section shall be applied—

''(i) without regard to paragraphs (1)(C) and (3) thereof, and

''(ii) as if section 197 intangible property (as defined in section 197), and property described in paragraph (1)(B) or (2) of section 167(f), were tangible property.

''(B) EXCEPTION FOR PARTNERSHIPS.—Such term shall not include any property which would (but for this subparagraph) be tax-exempt use property solely by reason of section 168(h)(6).

''(C) CROSS REFERENCE.—For treatment of partnerships as leases to which section 168(h) applies, see section 7701(e).''.

(2) Subparagraph (A) of section 470(d)(1) is amended by striking ''(at any time during the lease term)'' and inserting ''(at all times during the lease term)''.

(d) AMENDMENTS RELATED TO SECTION 888 OF THE ACT.—

(1) Subparagraph (A) of section 1092(a)(2) is amended by striking ''and'' at the end of clause (ii), by redesignating clause (iii) as clause (iv), and by inserting after clause (ii) the following new clause:

''(iii) if the application of clause (ii) does not result in an increase in the basis of any offsetting position in the identified straddle, the basis of each of the offsetting positions in the identified straddle shall be increased in a manner which—

''(I) is reasonable, consistent with the purposes of this paragraph, and consistently applied by the taxpayer, and

''(II) results in an aggregate increase in the basis of such offsetting positions which is equal to the loss described in clause (ii), and''.

(2)(A) Subparagraph (B) of section 1092(a)(2) is amended by adding at the end the following flush sentence:

''A straddle shall be treated as clearly identified for purposes of clause (i) only if such identification includes an identification of the positions in the straddle which are offsetting with respect other positions in the straddle.''.

(B) Subparagraph (A) of section 1092(a)(2) is amended—

(i) by striking ''identified positions'' in clause (i) and inserting ''positions'',

(ii) by striking ''identified position'' in clause (ii) and inserting ''position'', and

(iii) by striking ''identified offsetting positions'' in clause (ii) and inserting ''offsetting positions''.

(C) Subparagraph (B) of section 1092(a)(3) is amended by striking ''identified offsetting position'' and inserting ''offsetting position''.

(3) Paragraph (2) of section 1092(a) is amended by redesignating subparagraph (C) as subparagraph (D) and inserting after subparagraph (B) the following new subparagraph:

''(C) APPLICATION TO LIABILITIES AND OBLIGATIONS.—Except as otherwise provided by the Secretary, rules similar to the rules of clauses (ii) and (iii) of subparagraph (A) shall apply for purposes of this paragraph with respect to any position which is, or has been, a liability or obligation.''.

(4) Subparagraph (D) of section 1092(a)(2), as redesignated by paragraph (3), is amended by inserting ''the rules for the application of this section to a position which is or has been a liability or obligation, methods of loss allocation which satisfy the requirements of subparagraph (A)(iii),'' before ''and the ordering rules''.

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall take effect as if included in the provisions of the American Jobs Creation Act of 2004 to which they relate.

(2) IDENTIFICATION REQUIREMENT OF AMENDMENT RELATED TO SECTION 888 OF THE AMERICAN JOBS CREATION ACT OF 2004.—The amendment made by subsection (d)(2)(A) shall apply to straddles acquired after the date of the enactment of this Act.

SEC. 308. AMENDMENTS RELATED TO THE ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT OF 2001.

(a) AMENDMENTS RELATED TO SECTION 617 OF THE ACT.—

(1) Subclause (II) of section 402(g)(7)(A)(ii) is amended by striking ''for prior taxable years'' and inserting ''permitted for prior taxable years by reason of this paragraph''.

(2) Subparagraph (A) of section 3121(v)(1) is amended by inserting ''or consisting of designated Roth contributions (as defined in section 402A(c))'' before the comma at the end.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 to which they relate.

SEC. 309. AMENDMENTS RELATED TO THE TAX RELIEF EXTENSION ACT OF 1999.

(a) AMENDMENT RELATED TO SECTION 507 OF THE ACT.—Clause (i) of section 45(e)(7)(A) is amended by striking ''placed in service by the taxpayer'' and inserting ''originally placed in service''.

(b) AMENDMENT RELATED TO SECTION 542 OF THE ACT.—Clause (ii) of section 856(d)(9)(D) is amended to read as follows:

''(ii) LODGING FACILITY.—The term 'lodging facility' means a—

''(I) hotel,

''(II) motel, or

''(III) other establishment more than one-half of the dwelling units in which are used on a transient basis.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provisions of the Tax Relief Extension Act of 1999 to which they relate.

SEC. 310. AMENDMENT RELATED TO THE INTERNAL REVENUE SERVICE RESTRUCTURING AND REFORM ACT OF 1998.

(a) AMENDMENT RELATED TO SECTION 3509 OF THE ACT.—Paragraph (3) of section 6110(i) is amended by inserting ''and related background file documents'' after ''Chief Counsel advice'' in the matter preceding subparagraph (A).

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the provision of the Internal Revenue Service Restructuring and Reform Act of 1998 to which it relates.

SEC. 311. CLERICAL CORRECTIONS.

(a) IN GENERAL.—

(1) Paragraph (5) of section 21(e) is amended by striking ''section 152(e)(3)(A)'' in the

flush matter after subparagraph (B) and inserting ''section 152(e)(4)(A)''.

(2) Paragraph (3) of section 25C(c) is amended by striking ''section 3280'' and inserting ''part 3280''.

(3) Paragraph (2) of section 26(b) is amended by redesignating subparagraphs (S) and (T) as subparagraphs (U) and (V), respectively, and by inserting after subparagraph (R) the following new subparagraphs:

''(S) sections 106(e)(3)(A)(ii), 223(b)(8)(B)(i)(II), and 408(d)(9)(D)(i)(II) (relating to certain failures to maintain high deductible health plan coverage),

''(T) section 170(o)(3)(B) (relating to recapture of certain deductions for fractional gifts),''.

(4) Subsection (a) of section 34 is amended—

(A) in paragraph (1), by striking ''with respect to gasoline used during the taxable year on a farm for farming purposes'',

(B) in paragraph (2), by striking ''with respect to gasoline used during the taxable year (A) otherwise than as a fuel in a highway vehicle or (B) in vehicles while engaged in furnishing certain public passenger land transportation service'', and

(C) in paragraph (3), by striking ''with respect to fuels used for nontaxable purposes or resold during the taxable year''.

(5) Paragraph (2) of section 35(d) is amended—

(A) by striking ''paragraph (2) or (4) of'', and

(B) by striking ''(within the meaning of section 152(e)(1))'' and inserting ''(as defined in section 152(e)(4)(A))''.

(6) Subsection (b) of section 38 is amended—

(A) by striking ''and'' each place it appears at the end of any paragraph,

(B) by striking ''plus'' each place it appears at the end of any paragraph, and

(C) by inserting ''plus'' at the end of paragraph (30).

(7) Paragraphs (2) and (3) of section 45L(c) are each amended by striking ''section 3280'' and inserting ''part 3280''.

(8) Subsection (c) of section 48 is amended by striking ''subsection'' in the text preceding paragraph (1) and inserting ''section''.

(9) Paragraphs (1)(B) and (2)(B) of section 48(c) are each amended by striking ''paragraph (1)'' and inserting ''subsection (a)''.

(10) Clause (ii) of section 48A(d)(4)(B) is amended by striking ''subsection'' both places it appears.

(11) The last sentence of section 125(b)(2) is amended by striking ''last sentence'' and inserting ''second sentence''.

(12) Subclause (II) of section 167(g)(8)(C)(ii) is amended by striking ''section 263A(j)(2)'' and inserting ''section 263A(i)(2)''.

(13)(A) Clause (vii) of section 170(b)(1)(A) is amended by striking ''subparagraph (E)'' and inserting ''subparagraph (F)''.

(B) Clause (ii) of section 170(e)(1)(B) is amended by striking ''subsection (b)(1)(E)'' and inserting ''subsection (b)(1)(F)''.

(C) Clause (i) of section 1400S(a)(2)(A) is amended by striking ''subparagraph (F)'' and inserting ''subparagraph (G)''.

(D) Subparagraph (A) of section 4942(i)(1) is amended by striking ''section 170(b)(1)(E)(ii)'' and inserting ''section 170(b)(1)(F)(ii)''.

(14) Subclause (II) of section 170(e)(1)(B)(i) is amended by inserting '', but without regard to clause (ii) thereof'' after ''paragraph (7)(C)''.

(15)(A) Subparagraph (A) of section 170(o)(1) and subparagraph (A) of section 2522(e)(1) are each amended by striking ''all interest in the property is'' and inserting ''all interests in the property are''.

(B) Section 170(o)(3)(A)(i), and section 2522(e)(2)(A)(i) (as redesignated by section 403(d)(2)), are each amended—

(i) by striking ''interest'' and inserting ''interests'', and

(ii) by striking ''before'' and inserting ''on or before''.

(16)(A) Subparagraph (C) of section 852(b)(4) is amended to read as follows:

''(C) DETERMINATION OF HOLDING PERIODS.—For purposes of this paragraph, in determining the period for which the taxpayer has held any share of stock—

''(i) the rules of paragraphs (3) and (4) of section 246(c) shall apply, and

''(ii) there shall not be taken into account any day which is more than 6 months after the date on which such share becomes ex-dividend.''.

(B) Subparagraph (B) of section 857(b)(8) is amended to read as follows:

''(B) DETERMINATION OF HOLDING PERIODS.—For purposes of this paragraph, in determining the period for which the taxpayer has held any share of stock or beneficial interest—

''(i) the rules of paragraphs (3) and (4) of section 246(c) shall apply, and

''(ii) there shall not be taken into account any day which is more than 6 months after the date on which such share or interest becomes ex-dividend.''.

(17) Paragraph (2) of section 856(l) is amended by striking the last sentence and inserting the following: ''For purposes of subparagraph (B), securities described in subsection (m)(2)(A) shall not be taken into account.''.

(18) Subparagraph (F) of section 954(c)(1) is amended to read as follows:

''(F) INCOME FROM NOTIONAL PRINCIPAL CONTRACTS.—

''(i) IN GENERAL.—Net income from notional principal contracts.

''(ii) COORDINATION WITH OTHER CATEGORIES OF FOREIGN PERSONAL HOLDING COMPANY INCOME.—Any item of income, gain, deduction, or loss from a notional principal contract entered into for purposes of hedging any item described in any preceding subparagraph shall not be taken into account for purposes of this subparagraph but shall be taken into account under such other subparagraph.''.

(19) Paragraph (1) of section 954(c) is amended by redesignating subparagraph (I) as subparagraph (H).

(20) Paragraph (33) of section 1016(a), as redesignated by section 407(a)(1)(C), is amended by striking ''section 25C(e)'' and inserting ''section 25C(f)''.

(21) Paragraph (36) of section 1016(a), as redesignated by section 407(a)(1)(C), is amended by striking ''section 30C(f)'' and inserting ''section 30C(e)(1)''.

(22) Subparagraph (G) of section 1260(c)(2) is amended by adding ''and'' at the end.

(23)(A) Section 1297 is amended by striking subsection (d) and by redesignating subsections (e) and (f) as subsections (d) and (e), respectively.

(B) Subparagraph (G) of section 1260(c)(2) is amended by striking ''subsection (e)'' and inserting ''subsection (d)''.

(C) Subparagraph (B) of section 1298(a)(2) is amended by striking ''Section 1297(e)'' and inserting ''Section 1297(d)''.

(24) Paragraph (1) of section 1362(f) is amended—

(A) by striking '', section 1361(b)(3)(B)(ii), or section 1361(c)(1)(A)(ii)'' and inserting ''or section 1361(b)(3)(B)(ii)'', and

(B) by striking '', section 1361(b)(3)(C), or section 1361(c)(1)(D)(iii)'' in subparagraph (B) and inserting ''or section 1361(b)(3)(C)''.

(25) Paragraph (2) of section 1400O is amended by striking ''under of'' and inserting ''under''.

(26) The table of sections for part II of subchapter Y of chapter 1 is amended by adding at the end the following new item:

''Sec. 1400T. Special rules for mortgage revenue bonds.''.

(27) Subsection (b) of section 4082 is amended to read as follows:

''(b) NONTAXABLE USE.—For purposes of this section, the term 'nontaxable use' means—

''(1) any use which is exempt from the tax imposed by section 4041(a)(1) other than by reason of a prior imposition of tax,

''(2) any use in a train, and

''(3) any use described in section 4041(a)(1)(C)(iii)(II).

The term 'nontaxable use' does not include the use of kerosene in an aircraft and such term shall not include any use described in section 6421(e)(2)(C).''.

(28) Paragraph (4) of section 4101(a) (relating to registration in event of change of ownership) is redesignated as paragraph (5).

(29) Paragraph (6) of section 4965(c) is amended by striking ''section 4457(e)(1)(A)'' and inserting ''section 457(e)(1)(A)''.

(30) Subpart C of part II of subchapter A of chapter 51 is amended by redesignating section 5432 (relating to recordkeeping by wholesale dealers) as section 5121.

(31) Paragraph (2) of section 5732(c), as redesignated by section 11125(b)(20)(A) of the SAFETEA–LU, is amended by striking ''this subpart'' and inserting ''this subchapter''.

(32) Subsection (b) of section 6046 is amended—

(A) by striking ''subsection (a)(1)'' and inserting ''subsection (a)(1)(A)'', and

(B) by striking ''paragraph (2) or (3) of subsection (a)'' and inserting ''subparagraph (B) or (C) of subsection (a)(1)''.

(33)(A) Subparagraph (A) of section 6103(b)(5) is amended by striking ''the Canal Zone,''.

(B) Section 7651 is amended by striking paragraph (4) and by redesignating paragraph (5) as paragraph (4).

(34) Subparagraph (A) of section 6211(b)(4) is amended by striking ''and 34'' and inserting ''34, and 35''.

(35) Subparagraphs (A) and (B) of section 6230(a)(3) are each amended by striking ''section 6013(e)'' and inserting ''section 6015''.

(36) Paragraph (3) of section 6427(e) (relating to termination), as added by section 11113 of the SAFETEA–LU, is redesignated as paragraph (5) and moved after paragraph (4).

(37) Clause (ii) of section 6427(l)(4)(A) is amended by striking ''section 4081(a)(2)(iii)'' and inserting ''section 4081(a)(2)(A)(iii)''.

(38)(A) Section 6427, as amended by section 1343(b)(1) of the Energy Policy Act of 2005, is amended by striking subsection (p) (relating to gasohol used in noncommercial aviation) and redesignating subsection (q) as subsection (p).

(B) The Internal Revenue Code of 1986 shall be applied and administered as if the amendments made by paragraph (2) of section 11151(a) of the SAFETEA–LU had never been enacted.

(39) Subsection (a) of section 6695A is amended by striking ''then such person'' in paragraph (2) and inserting the following: ''then such person''.

(40) Subparagraph (C) of section 6707A(e)(2) is amended by striking ''section 6662A(e)(2)(C)'' and inserting ''section 6662A(e)(2)(B)''.

(41)(A) Paragraph (3) of section 9002 is amended by striking ''section 309(a)(1)'' and inserting ''section 306(a)(1)''.

(B) Paragraph (1) of section 9004(a) is amended by striking ''section 320(b)(1)(B)'' and inserting ''section 315(b)(1)(B)''.

(C) Paragraph (3) of section 9032 is amended by striking ''section 309(a)(1)'' and inserting ''section 306(a)(1)''.

(D) Subsection (b) of section 9034 is amended by striking ''section 320(b)(1)(A)'' and inserting ''section 315(b)(1)(A)''.

(42) Section 9006 is amended by striking ''Comptroller General'' each place it appears and inserting ''Commission''.

(43) Subsection (c) of section 9503 is amended by redesignating paragraph (7) (relating to transfers from the trust fund for certain aviation fuels taxes) as paragraph (6).

(44) Paragraph (1) of section 1301(g) of the Energy Policy Act of 2005 is amended by striking ''shall take effect of the date of the enactment'' and inserting ''shall take effect on the date of the enactment''.

(45) The Internal Revenue Code of 1986 shall be applied and administered as if the amendments made by section 1(a) of Public Law 109–433 had never been enacted.

(b) CLERICAL AMENDMENTS RELATED TO THE TAX RELIEF AND HEALTH CARE ACT OF 2006.—

(1) AMENDMENT RELATED TO SECTION 209 OF DIVISION A OF THE ACT.—Paragraph (3) of section 168(l) is amended by striking ''enzymatic''.

(2) AMENDMENTS RELATED TO SECTION 419 OF DIVISION A OF THE ACT.—

(A) Clause (iv) of section 6724(d)(1)(B) is amended by inserting ''or (h)(1)'' after ''section 6050H(a)''.

(B) Subparagraph (K) of section 6724(d)(2) is amended by inserting ''or (h)(2)'' after ''section 6050H(d)''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect as if included in the provision of the Tax Relief and Health Care Act of 2006 to which they relate.

(c) CLERICAL AMENDMENTS RELATED TO THE GULF OPPORTUNITY ZONE ACT OF 2005.—

(1) AMENDMENTS RELATED TO SECTION 402 OF THE ACT.—Subparagraph (B) of section 24(d)(1) is amended—

(A) by striking ''the excess (if any) of'' in the matter preceding clause (i) and inserting ''the greater of'', and

(B) by striking ''section'' in clause (ii)(II) and inserting ''section 32''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall take effect as if included in the provisions of the Gulf Opportunity Zone Act of 2005 to which they relate.

(d) CLERICAL AMENDMENTS RELATED TO THE SAFE, ACCOUNTABLE, FLEXIBLE, EFFICIENT TRANSPORTATION EQUITY ACT: A LEGACY FOR USERS.—

(1) AMENDMENTS RELATED TO SECTION 11163 OF THE ACT.—Subparagraph (C) of section 6416(a)(4) is amended—

(A) by striking ''ultimate vendor'' and all that follows through ''has certified'' and inserting ''ultimate vendor or credit card issuer has certified'', and

(B) by striking ''all ultimate purchasers of the vendor'' and all that follows through ''are certified'' and inserting ''all ultimate purchasers of the vendor or credit card issuer are certified''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall take effect as if included in the provisions of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users to which they relate.

(e) CLERICAL AMENDMENTS RELATED TO THE ENERGY POLICY ACT OF 2005.—

(1) AMENDMENT RELATED TO SECTION 1344 OF THE ACT.—Subparagraph (B) of section 6427(e)(5), as redesignated by subsection (a)(36), is amended by striking ''2006'' and inserting ''2008''.

(2) AMENDMENTS RELATED TO SECTION 1351 OF THE ACT.—Subparagraphs (A)(ii) and (B)(ii) of section 41(f)(1) are each amended by striking ''qualified research expenses and basic research payments'' and inserting ''qualified research expenses, basic research payments, and amounts paid or incurred to energy research consortiums,''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect as if included in the provisions of the Energy Policy Act of 2005 to which they relate.

(f) CLERICAL AMENDMENTS RELATED TO THE AMERICAN JOBS CREATION ACT OF 2004.—

(1) AMENDMENT RELATED TO SECTION 301 OF THE ACT.—Section 9502 is amended by striking subsection (e) and redesignating subsection (f) as subsection (e).

(2) AMENDMENT RELATED TO SECTION 413 OF THE ACT.—Subsection (b) of section 1298 is amended by striking paragraph (7) and by redesignating paragraphs (8) and (9) as paragraphs (7) and (8), respectively.

(3) AMENDMENT RELATED TO SECTION 895 OF THE ACT.—Clause (iv) of section 904(f)(3)(D) is amended by striking ''a controlled group'' and inserting ''an affiliated group''.

(4) EFFECTIVE DATE.—The amendments made by this subsection shall take effect as if included in the provisions of the American Jobs Creation Act of 2004 to which they relate.

(g) CLERICAL AMENDMENTS RELATED TO THE FSC REPEAL AND EXTRATERRITORIAL INCOME EXCLUSION ACT OF 2000.—

(1) Subclause (I) of section 56(g)(4)(C)(ii) is amended by striking ''921'' and inserting ''921 (as in effect before its repeal by the FSC Repeal and Extraterritorial Income Exclusion Act of 2000)''.

(2) Clause (iv) of section 54(g)(4)(C) is amended by striking ''a cooperative described in section 927(a)(4)'' and inserting ''an organization to which part I of subchapter T (relating to tax treatment of cooperatives) applies which is engaged in the marketing of agricultural or horticultural products''.

(3) Paragraph (4) of section 245(c) is amended by adding at the end the following new subparagraph:

''(C) FSC.—The term 'FSC' has the meaning given such term by section 922.''.

(4) Subsection (c) of section 245 is amended by inserting at the end the following new paragraph:

''(5) REFERENCES TO PRIOR LAW.—Any reference in this subsection to section 922, 923, or 927 shall be treated as a reference to such section as in effect before its repeal by the FSC Repeal and Extraterritorial Income Exclusion Act of 2000.''.

(5) Paragraph (4) of section 275(a) is amended by striking ''if'' and all that follows and inserting ''if the taxpayer chooses to take to any extent the benefits of section 901.''.

(6)(A) Subsection (a) of section 291 is amended by striking paragraph (4) and by redesignating paragraph (5) as paragraph (4).

(B) Paragraph (1) of section 291(c) is amended by striking ''subsection (a)(5)'' and inserting ''subsection (a)(4)''.

(7)(A) Paragraph (4) of section 441(b) is amended by striking ''FSC or''.

(B) Subsection (h) of section 441 is amended—

(i) by striking ''FSC or'' each place it appears, and

(ii) by striking ''FSC'S AND'' in the heading thereof.

(8) Subparagraph (B) of section 884(d)(2) is amended by inserting before the comma ''(as in effect before their repeal by the FSC Repeal and Extraterritorial Income Exclusion Act of 2000)''.

(9) Section 901 is amended by striking subsection (h).

(10) Clause (v) of section 904(d)(2)(B) is amended—

(A) by inserting ''and'' at the end of subclause (I), by striking subclause (II), and by redesignating subclause (III) as subclause (II),

(B) by striking ''a FSC (or a former FSC)'' in subclause (II) (as so redesignated) and inserting ''a former FSC (as defined in section 922)'', and

(C) by adding at the end the following:

''Any reference in subclause (II) to section 922, 923, or 927 shall be treated as a reference to such section as in effect before its repeal by the FSC Repeal and Extraterritorial Income Exclusion Act of 2000.''.

(11) Subsection (b) of section 906 is amended by striking paragraph (5) and redesignating paragraphs (6) and (7) as paragraphs (5) and (6), respectively.

(12) Subparagraph (B) of section 936(f)(2) is amended by striking ''FSC or''.

(13) Section 951 is amended by striking subsection (c) and by redesignating subsection (d) as subsection (c).

(14) Subsection (b) of section 952 is amended by striking the second sentence.

(15)(A) Paragraph (2) of section 956(c) is amended—

(i) by striking subparagraph (I) and by redesignating subparagraphs (J) through (M) as subparagraphs (I) through (L), respectively, and

(ii) by striking ''subparagraphs (J), (K), and (L)'' in the flush sentence at the end and inserting ''subparagraphs (I), (J), and (K)''.

(B) Clause (ii) of section 954(c)(2)(C) is amended by striking ''section 956(c)(2)(J)'' and inserting ''section 956(c)(2)(I)''.

(16) Paragraph (1) of section 992(a) is amended by striking subparagraph (E), by inserting ''and'' at the end of subparagraph (C), and by striking '', and'' at the end of subparagraph (D) and inserting a period.

(17) Paragraph (5) of section 1248(d) is amended—

(A) by inserting ''(as defined in section 922)'' after ''a FSC'', and

(B) by adding at the end the following new sentence: ''Any reference in this paragraph to section 922, 923, or 927 shall be treated as a reference to such section as in effect before its repeal by the FSC Repeal and Extraterritorial Income Exclusion Act of 2000.''.

(18) Subparagraph (D) of section 1297(b)(2) is amended by striking ''foreign trade income of a FSC or''.

(19)(A) Paragraph (1) of section 6011(c) is amended by striking ''or former DISC or a FSC or former FSC'' and inserting '', former DISC, or former FSC (as defined in section 922 as in effect before its repeal by the FSC Repeal and Extraterritorial Income Exclusion Act of 2000)''.

(B) Subsection (c) of section 6011 is amended by striking ''AND FSC'S'' in the heading thereof.

(20) Subsection (c) of section 6072 is amended by striking ''a FSC or former FSC'' and inserting ''a former FSC (as defined in section 922 as in effect before its repeal by the FSC Repeal and Extraterritorial Income Exclusion Act of 2000)''.

(21) Section 6686 is amended by inserting ''FORMER'' before ''FSC'' in the heading thereof.

TITLE IV—PARITY IN APPLICATION OF CERTAIN LIMITS TO MENTAL HEALTH BENEFITS

SEC. 401. PARITY IN APPLICATION OF CERTAIN LIMITS TO MENTAL HEALTH BENEFITS.

(a) AMENDMENT TO THE INTERNAL REVENUE CODE OF 1986.—Section 9812(f)(3) of the Internal Revenue Code of 1986 is amended by striking ''2007'' and inserting ''2008''.

(b) AMENDMENT TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—Section 712(f) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1185a(f)) is amended by striking ''2007'' and inserting ''2008''.

(c) AMENDMENT TO THE PUBLIC HEALTH SERVICE ACT.—Section 2705(f) of the Public Health Service Act (42 U.S.C. 300gg-5(f)) is amended by striking ''2007'' and inserting ''2008''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to benefits for services furnished after December 31, 2007.

SA 3891. Mr. REID (for Mr. KENNEDY (for himself, Mr. BAUCUS, Mr. GRASSLEY, and Mr. ENZI)) proposed an amendment to the bill S. 1974, to make technical corrections related to the Pension Protection Act of 2006; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; REFERENCES TO ACTS.

(a) IN GENERAL.—This Act may be cited as the ''Pension Protection Technical Corrections Act of 2007''.

(b) REFERENCES TO ACTS.—For purposes of this Act—

(1) AMENDMENT OF 1986 CODE.—The term ''1986 Code'' means the Internal Revenue Code of 1986.

(2) AMENDMENT OF ERISA.—The term ''ERISA'' means the Employee Retirement Income Security Act of 1974.

(3) 2006 ACT.—The term ''2006 Act'' means the Pension Protection Act of 2006.

SEC. 2. AMENDMENTS RELATED TO TITLE I.

(a) AMENDMENTS RELATED TO SECTIONS 101 AND 111.—

(1) AMENDMENTS TO ERISA.—

(A) Clause (i) of section 302(c)(1)(A) of ERISA is amended by striking ''the plan is'' and inserting ''the plan are''.

(B) Section 302(c)(7) of ERISA is amended by inserting ''which reduces the accrued benefit of any participant'' after ''subsection (d)(2)'' in subparagraph (A).

(C) Section 302(d)(1) of ERISA is amended by striking '', the valuation date,''.

(2) AMENDMENTS TO 1986 CODE.—

(A) Clause (i) of section 412(c)(1)(A) of the 1986 Code is amended by striking ''the plan is'' and inserting ''the plan are''.

(B) Section 412(c)(7) of the 1986 Code is amended by inserting ''which reduces the accrued benefit of any participant'' after ''subsection (d)(2)'' in subparagraph (A).

(C) Section 412(d)(1) of the 1986 Code is amended by striking '', the valuation date,''.

(b) AMENDMENTS RELATED TO SECTIONS 102 AND 112.—

(1) AMENDMENTS TO ERISA.—

(A) Section 303(b) of ERISA is amended to read as follows:

''(b) TARGET NORMAL COST.—For purposes of this section—

''(1) IN GENERAL.—Except as provided in subsection (i)(2) with respect to plans in at-risk status, the term 'target normal cost' means, for any plan year, the excess of—

''(A) the sum of—

''(i) the present value of all benefits which are expected to accrue or to be earned under the plan during the plan year, plus

''(ii) the amount of plan-related expenses expected to be paid from plan assets during the plan year, over

''(B) the amount of mandatory employee contributions expected to be made during the plan year.

''(2) SPECIAL RULE FOR INCREASE IN COMPENSATION.—For purposes of this subsection, if any benefit attributable to services performed in a preceding plan year is increased by reason of any increase in compensation during the current plan year, the increase in such benefit shall be treated as having accrued during the current plan year.''.

(B) Section 303(c)(5)(B)(iii) of ERISA is amended by inserting ''beginning'' before ''after 2008''.

(C) Section 303(c)(5)(B)(iv)(II) of ERISA is amended by inserting ''for such year'' after ''beginning in 2007)''.

(D) Section 303(f)(4)(A) of ERISA is amended by striking ''paragraph (2)'' and inserting ''paragraph (3)''.

(E) Section 303(h)(2)(F) of ERISA is amended—

(i) by striking ''section 205(g)(3)(B)(iii)(I)) for such month'' and inserting ''section 205(g)(3)(B)(iii)(I for such month)'', and

(ii) by striking ''subparagraph (B)'' and inserting ''subparagraph (C)''.

(F) Section 303(i) of ERISA is amended—

(i) in paragraph (2)—

(I) by striking subparagraph (A) and inserting the following new subparagraph:

''(A) the excess of—

''(i) the sum of—

''(I) the present value of all benefits which are expected to accrue or to be earned under the plan during the plan year, determined using the additional actuarial assumptions described in paragraph (1)(B), plus

''(II) the amount of plan-related expenses expected to be paid from plan assets during the plan year, over

''(ii) the amount of mandatory employee contributions expected to be made during the plan year, plus'', and

(II) in subparagraph (B), by striking ''the target normal cost (determined without regard to this paragraph) of the plan for the plan year'' and inserting ''the amount determined under subsection (b)(1)(A)(i) with respect to the plan for the plan year'', and

(ii) by striking ''subparagraph (A)(ii)'' in the last sentence of paragraph (4)(B) and inserting ''subparagraph (A)''.

(G) Section 303(j)(3) of ERISA—

(i) is amended by adding at the end of subparagraph (A) the following new sentence: ''In the case of plan years beginning in 2008, the funding shortfall for the preceding plan year may be determined using such methods of estimation as the Secretary of the Treasury may provide.'',

(ii) by adding at the end of subparagraph (E) the following new clause:

''(iii) PLAN WITH ALTERNATE VALUATION DATE.—The Secretary of the Treasury shall prescribe regulations for the application of this paragraph in the case of a plan which has a valuation date other than the first day of the plan year.'', and

(iii) by striking ''AND SHORT YEARS'' in the heading of subparagraph (E) and inserting '', SHORT YEARS, AND YEARS WITH ALTERNATE VALUATION DATE''.

(H) Section 303(k)(6)(B) of ERISA is amended by striking '', except'' and all that follows and inserting a period.

(2) AMENDMENTS TO 1986 CODE.—

(A) Section 430(b) of the 1986 Code is amended to read as follows:

''(b) TARGET NORMAL COST.—For purposes of this section—

''(1) IN GENERAL.—Except as provided in subsection (i)(2) with respect to plans in at-risk status, the term 'target normal cost' means, for any plan year, the excess of—

''(A) the sum of—

''(i) the present value of all benefits which are expected to accrue or to be earned under the plan during the plan year, plus

''(ii) the amount of plan-related expenses expected to be paid from plan assets during the plan year, over

''(B) the amount of mandatory employee contributions expected to be made during the plan year.

''(2) SPECIAL RULE FOR INCREASE IN COMPENSATION.—For purposes of this subsection, if any benefit attributable to services performed in a preceding plan year is increased by reason of any increase in compensation during the current plan year, the increase in such benefit shall be treated as having accrued during the current plan year.''.

(B) Section 430(c)(5)(B)(iii) of the 1986 Code is amended by inserting ''beginning'' before ''after 2008''.

(C) Section 430(c)(5)(B)(iv)(II) of the 1986 Code is amended by inserting ''for such year'' after ''beginning in 2007)''.

(D) Section 430(f) of the 1986 Code is amended—

(i) by striking ''as of the first day of the plan year'' the second place it appears in the first sentence of paragraph (3)(A),

(ii) by striking ''paragraph (2)'' in paragraph (4)(A) and inserting ''paragraph (3)'',

(iii) by striking ''paragraph (1), (2), or (4) of section 206(g)'' in paragraph (6)(B)(iii) and inserting ''subsection (b), (c), or (e) of section 436'',

(iv) by striking ''the sum of'' in paragraph (6)(C), and

(v) by striking ''of the Treasury'' in paragraph (8).

(E) Section 430(h)(2) of the 1986 Code is amended—

(i) by inserting ''and target normal cost'' after ''funding target'' in subparagraph (B),

(ii) by striking ''liabilities'' and inserting ''benefits'' in subparagraph (B),

(iii) by striking ''section 417(e)(3)(D)(i)) for such month'' in subparagraph (F) and inserting ''section 417(e)(3)(D)(i) for such month)'', and

(iv) by striking ''subparagraph (B)'' in subparagraph (F) and inserting ''subparagraph (C)''.

(F) Section 430(i) of the 1986 Code is amended—

(i) in paragraph (2)—

(I) by striking subparagraph (A) and inserting the following new subparagraph:

''(A) the excess of—

''(i) the sum of—

''(I) the present value of all benefits which are expected to accrue or to be earned under the plan during the plan year, determined using the additional actuarial assumptions described in paragraph (1)(B), plus

''(II) the amount of plan-related expenses expected to be paid from plan assets during the plan year, over

''(ii) the amount of mandatory employee contributions expected to be made during the plan year, plus'', and

(II) in subparagraph (B), by striking ''the target normal cost (determined without regard to this paragraph) of the plan for the plan year'' and inserting ''the amount determined under subsection (b)(1)(A)(i) with respect to the plan for the plan year'', and

(ii) by striking ''subparagraph (A)(ii)'' in the last sentence of paragraph (4)(B) and inserting ''subparagraph (A)''.

(G) Section 430(j)(3) of the 1986 Code is amended—

(i) by adding at the end of subparagraph (A) the following new sentence: ''In the case of plan years beginning in 2008, the funding shortfall for the preceding plan year may be determined using such methods of estimation as the Secretary may provide.'',

(ii) by striking ''section 302(c)'' in subparagraph (D)(ii)(II) and inserting ''section 412(c)'',

(iii) by adding at the end of subparagraph (E) the following new clause:

''(iii) PLAN WITH ALTERNATE VALUATION DATE.—The Secretary shall prescribe regulations for the application of this paragraph in the case of a plan which has a valuation date other than the first day of the plan year.'', and

(iv) by striking ''AND SHORT YEARS'' in the heading of subparagraph (E) and inserting '', SHORT YEARS, AND YEARS WITH ALTERNATE VALUATION DATE''.

(H) Section 430(k) of the 1986 Code is amended—

(i) by inserting ''(as provided under paragraph (2))'' after ''applies'' in paragraph (1), and

(ii) by striking '', except'' and all that follows in paragraph (6)(B) and inserting a period.

(c) AMENDMENTS RELATED TO SECTIONS 103 AND 113.—

(1) AMENDMENTS TO ERISA.—

(A) Section 101(j) of ERISA is amended—

(i) in paragraph (2), by striking ''section 206(g)(4)(B)'' and inserting ''section 206(g)(4)(A)''; and

(ii) by adding at the end the following: ''The Secretary of the Treasury, in consultation with the Secretary, shall have the authority to prescribe rules applicable to the notices required under this subsection.''.

(B) Section 206(g)(1)(B)(ii) of ERISA is amended by striking ''a funding'' and inserting ''an adjusted funding''.

(C) The heading for section 206(g)(1)(C) of ERISA is amended by inserting ''BENEFIT'' after ''EVENT''.

(D) Section 206(g)(3)(E) of ERISA is amended by adding at the end the following new flush sentence:

''Such term shall not include the payment of a benefit which under section 203(e) may be immediately distributed without the consent of the participant.''.

(E) Section 206(g)(5)(A)(iv) of ERISA is amended by inserting ''adjusted'' before ''funding''.

(F) Section 206(g)(9)(C) of ERISA is amended—

(i) by striking ''without regard to this subparagraph and'' in clause (i), and

(ii) in clause (iii)—

(I) by striking ''without regard to this subparagraph'' and inserting ''without regard to the reduction in the value of assets under section 303(f)(4)'', and

(II) by inserting ''beginning'' before ''after'' each place it appears.

(G) Section 206(g) of ERISA is amended by redesignating paragraph (10) as paragraph (11) and by inserting after paragraph (9) the following new paragraph:

''(10) SECRETARIAL AUTHORITY FOR PLANS WITH ALTERNATE VALUATION DATE.—In the case of a plan which has designated a valuation date other than the first day of the plan year, the Secretary of the Treasury may prescribe rules for the application of this subsection which are necessary to reflect the alternate valuation date.''.

(H) Section 502(c)(4) of ERISA is amended by striking ''by any person'' and all that follows through the period and inserting ''by any person of subsection (j), (k), or (l) of section 101 or section 514(e)(3).''.

(2) AMENDMENTS TO 1986 CODE.—

(A) Section 436(b)(2) of the 1986 Code is amended—

(i) by striking ''section 303'' and inserting ''section 430'' in the matter preceding subparagraph (A), and

(ii) by striking ''a funding'' and inserting ''an adjusted funding'' in subparagraph (B).

(B) Section 436(b)(3) of the 1986 Code is amended—

(i) by inserting ''BENEFIT'' after ''EVENT'' in the heading, and

(ii) by striking ''any event'' in subparagraph (B) and inserting ''an event''.

(C) Section 436(d)(5) of the 1986 Code is amended by adding at the end the following new flush sentence:

''Such term shall not include the payment of a benefit which under section 411(a)(11) may be immediately distributed without the consent of the participant.''.

(D) Section 436(f) of the 1986 Code is amended—

(i) by inserting ''adjusted'' before ''funding'' in paragraph (1)(D), and

(ii) by striking ''prefunding balance under section 430(f) or funding standard carryover balance'' in paragraph (2) and inserting ''prefunding balance or funding standard carryover balance under section 430(f)''.

(E) Section 436(j)(3) of the 1986 Code is amended—

(i) in subparagraph (A)—

(I) by striking ''without regard to this paragraph and'',

(II) by striking ''section 430(f)(4)(A)'' and inserting ''section 430(f)(4)'', and

(III) by striking ''paragraph (1)'' and inserting ''paragraphs (1) and (2)'', and

(ii) in subparagraph (C)—

(I) by striking ''without regard to this paragraph'' and inserting ''without regard to the reduction in the value of assets under section 430(f)(4)'', and

(II) by inserting ''beginning'' before ''after'' each place it appears.

(F) Section 436 of the 1986 Code is amended by redesignating subsection (k) as subsection (m) and by inserting after subsection (j) the following new subsections:

''(k) SECRETARIAL AUTHORITY FOR PLANS WITH ALTERNATE VALUATION DATE.—In the case of a plan which has designated a valuation date other than the first day of the plan year, the Secretary may prescribe rules for the application of this section which are necessary to reflect the alternate valuation date.

''(l) SINGLE-EMPLOYER PLAN.—For purposes of this section, the term 'single-employer plan' means a plan which is not a multiemployer plan.''.

(3) AMENDMENTS TO 2006 ACT.—Sections 103(c)(2)(A)(ii) and 113(b)(2)(A)(ii) of the 2006 Act are each amended—

(A) by striking ''subsection'' and inserting ''section'', and

(B) by striking ''subparagraph'' and inserting ''paragraph''.

(d) AMENDMENTS RELATED TO SECTIONS 107 AND 114.—

(1) AMENDMENTS TO ERISA.—

(A) Section 103(d) of ERISA is amended—

(i) in paragraph (3), by striking ''the normal costs, the accrued liabilities'' and inserting ''the normal costs or target normal costs, the accrued liabilities or funding target'', and

(ii) by striking paragraph (7) and inserting the following new paragraph:

''(7) A certification of the contribution necessary to reduce the minimum required contribution determined under section 303, or the accumulated funding deficiency determined under section 304, to zero.''.

(B) Section 4071 of ERISA is amended by striking ''as section 303(k)(4) or 307(e)'' and inserting ''or section 303(k)(4),''.

(2) AMENDMENTS TO 1986 CODE.—

(A) Section 401(a)(29) of the 1986 Code is amended by striking ''ON PLANS IN AT-RISK STATUS'' in the heading.

(B) Section 401(a)(32)(C) of the 1986 Code is amended—

(i) by striking ''section 430(j)'' and inserting ''section 430(j)(3)'', and

(ii) by striking ''paragraph (5)(A)'' and inserting ''section 430(j)(4)(A)''.

(C) Section 401(a)(33) of the 1986 Code is amended—

(i) by striking ''section 412(c)(2)'' in subparagraph (B)(iii) and inserting ''section 412(d)(2)'', and

(ii) by striking ''section 412(b)(2) (without regard to subparagraph (B) thereof)'' in subparagraph (D) and inserting ''section 412(b)(1), without regard to section 412(b)(2)''.

(D) Section 411 of the 1986 Code is amended—

(i) by striking ''section 412(c)(2)'' in subsection (a)(3)(C) and inserting ''section 412(d)(2)'', and

(ii) by striking ''section 412(e)(2)'' in subsection (d)(6)(A) and inserting ''section 412(d)(2)''.

(E) Section 414(l)(2)(B)(i)(I) of the 1986 Code is amended to read as follows:

''(I) the sum of the funding target and target normal cost determined under section 430, over''.

(F) Section 4971 of the 1986 Code is amended—

(i) by striking ''required minimum'' in subsection (b)(1) and inserting ''minimum required'',

(ii) by inserting ''or unpaid minimum required contribution, whichever is applicable'' after ''accumulated funding deficiency'' each place it appears in subsections (c)(3) and (d)(1), and

(iii) by striking ''section 412(a)(1)(A)'' in subsection (e)(1) and inserting ''section 412(a)(2)''.

(3) AMENDMENT TO 2006 ACT.—Section 114 of the 2006 Act is amended by adding at the end the following new subsection:

''(g) EFFECTIVE DATES.—

''(1) IN GENERAL.—The amendments made by this section shall apply to plan years beginning after 2007.

''(2) EXCISE TAX.—The amendments made by subsection (e) shall apply to taxable years beginning after 2007, but only with respect to plan years described in paragraph (1) which end with or within any such taxable year.''.

(e) AMENDMENT RELATED TO SECTION 116.—Section 409A(b)(3)(A)(ii) of the 1986 Code is amended by inserting ''to an applicable covered employee'' after ''under the plan''.

SEC. 3. AMENDMENTS RELATED TO TITLE II.

(a) AMENDMENT RELATED TO SECTIONS 201 AND 211.—Section 201(b)(2)(A) of the 2006 Act is amended by striking ''has not used'' and inserting ''has not adopted, or ceased using,''.

(b) AMENDMENTS RELATED TO SECTIONS 202 AND 212.—

(1) AMENDMENTS TO ERISA.—

(A) Section 305(b)(3)(C) of ERISA is amended by striking ''section 101(b)(4)'' and inserting ''section 101(b)(1)''.

(B) Section 305(b)(3)(D) of ERISA is amended by striking ''The Secretary'' in clause (iii) and inserting ''The Secretary of the Treasury, in consultation with the Secretary''.

(C) Section 305(c)(7) of ERISA is amended—

(i) by striking ''to agree on'' and all that follows in subparagraph (A)(ii) and inserting ''to adopt a contribution schedule with terms consistent with the funding improvement plan and a schedule from the plan sponsor,'', and

(ii) by striking subparagraph (B) and inserting the following new subparagraph:

''(B) DATE OF IMPLEMENTATION.—The date specified in this subparagraph is the date which is 180 days after the date on which the collective bargaining agreement described in subparagraph (A) expires.'', and

(iii) by adding at the end the following new subparagraph:

''(C) FAILURE TO MAKE SCHEDULED CONTRIBUTIONS.—Any failure to make a contribution under a schedule of contribution rates provided under this paragraph shall be treated as a delinquent contribution under section 515 and shall be enforceable as such.''.

(D) Section 305(e) of ERISA is amended—

(i) in paragraph (3)(C)—

(I) by striking all that follows ''to adopt a'' in clause (i)(II) and inserting ''to adopt a contribution schedule with terms consistent with the rehabilitation plan and a schedule from the plan sponsor under paragraph (1)(B)(i),'',

(II) by striking clause (ii) and inserting the following new clause:

''(ii) DATE OF IMPLEMENTATION.—The date specified in this clause is the date which is

180 days after the date on which the collective bargaining agreement described in clause (i) expires.'', and

(III) by adding at the end the following new clause:

''(iii) FAILURE TO MAKE SCHEDULED CONTRIBUTIONS.—Any failure to make a contribution under a schedule of contribution rates provided under this subsection shall be treated as a delinquent contribution under section 515 and shall be enforceable as such.'',

(ii) in paragraph (4)—

(I) by striking ''the date of'' in subparagraph (A)(ii), and

(II) by striking ''and taking'' in subparagraph (B) and inserting ''but taking'',

(iii) in paragraph (6)—

(I) by striking ''paragraph (1)(B)(i)'' and inserting ''the last sentence of paragraph (1)'', and

(II) by striking ''established'' and inserting ''establish'',

(iv) in paragraph (8)(C)(iii)—

(I) by striking ''the Secretary'' in subclause (I) and inserting ''the Secretary of the Treasury, in consultation with the Secretary'', and

(II) by striking ''Secretary'' in the last sentence and inserting ''Secretary of the Treasury'', and

(v) by striking ''an employer's withdrawal liability'' in paragraph (9)(B) and inserting ''the allocation of unfunded vested benefits to an employer''.

(E) Section 305(g) of ERISA is amended by inserting ''under subsection (c)'' after ''funding improvement plan'' the first place it appears.

(F) Section 302(b)(3) of ERISA is amended by striking ''the plan adopts'' and inserting ''the plan sponsor adopts''.

(G) Section 502(c)(2) of ERISA is amended by striking ''101(b)(4)'' and inserting ''101(b)(1)''.

(H) Section 502(c)(8)(A) of ERISA is amended by inserting ''plan'' after ''multiemployer''.

(2) AMENDMENTS TO 1986 CODE.—

(A) Section 432(b)(3)(C) of the 1986 Code is amended by striking ''section 101(b)(4)'' and inserting ''section 101(b)(1)''.

(B) Section 432(b)(3)(D)(iii) of the 1986 Code is amended by striking ''The Secretary of Labor'' and inserting ''The Secretary, in consultation with the Secretary of Labor''.

(C) Section 432(c) of the 1986 Code is amended—

(i) in paragraph (3), by striking ''section 304(d)'' in subparagraph (A)(ii) and inserting ''section 431(d)'', and

(ii) in paragraph (7)—

(I) by striking ''to agree on'' and all that follows in subparagraph (A)(ii) and inserting ''to adopt a contribution schedule with terms consistent with the funding improvement plan and a schedule from the plan sponsor,'', and

(II) by striking subparagraph (B) and inserting the following new subparagraph:

''(B) DATE OF IMPLEMENTATION.—The date specified in this subparagraph is the date which is 180 days after the date on which the collective bargaining agreement described in subparagraph (A) expires.''.

(D) Section 432(e) of the 1986 Code is amended—

(i) in paragraph (3)(C)—

(I) by striking all that follows ''to adopt a'' in clause (i)(II) and inserting ''to adopt a contribution schedule with terms consistent with the rehabilitation plan and a schedule from the plan sponsor under paragraph (1)(B)(i),'', and

(II) by striking clause (ii) and inserting the following new clause:

''(ii) DATE OF IMPLEMENTATION.—The date specified in this clause is the date which is 180 days after the date on which the collective bargaining agreement described in clause (i) expires.'',

(ii) in paragraph (4)—

(I) by striking ''the date of'' in subparagraph (A)(ii), and

(II) by striking ''and taking'' in subparagraph (B) and inserting ''but taking'',

(iii) in paragraph (6)—

(I) by striking ''paragraph (1)(B)(i)'' and inserting ''the last sentence of paragraph (1)'', and

(II) by striking ''established'' and inserting ''establish'',

(iv) in paragraph (8)—

(I) by striking ''section 204(g)'' in subparagraph (A)(i) and inserting ''section 411(d)(6)'',

(II) by inserting ''of the Employee Retirement Income Security Act of 1974'' after ''4212(a)'' in subparagraph (C)(i)(II),

(III) by striking ''the Secretary of Labor'' in subparagraph (C)(iii)(I) and inserting ''the Secretary, in consultation with the Secretary of Labor'', and

(IV) by striking ''the Secretary of Labor'' in the last sentence of subparagraph (C)(iii) and inserting ''the Secretary'', and

(v) by striking ''an employer's withdrawal liability'' in paragraph (9)(B) and inserting ''the allocation of unfunded vested benefits to an employer''.

(E) Section 432(f)(2)(A)(i) of the 1986 Code is amended by striking ''section 411(b)(1)(A)'' and inserting ''section 411(a)(9)''.

(F) Section 432(g) of the 1986 Code is amended by inserting ''under subsection (c)'' after ''funding improvement plan'' the first place it appears.

(G) Section 432(i) of the 1986 Code is amended—

(i) by striking ''section 412(a)'' in paragraph (3) and inserting ''section 431(a)'', and

(ii) by striking paragraph (9) and inserting the following new paragraph:

''(9) PLAN SPONSOR.—For purposes of this section, section 431, and section 4971(g)—

''(A) IN GENERAL.—The term 'plan sponsor' means, with respect to any multiemployer plan, the association, committee, joint board of trustees, or other similar group of representatives of the parties who establish or maintain the plan.

''(B) SPECIAL RULE FOR SECTION 404(c) PLANS.—In the case of a plan described in section 404(c) (or a continuation of such plan), such term means the bargaining parties described in paragraph (1).''.

(H) Section 412(b)(3) of the 1986 Code is amended by striking ''the plan adopts'' and inserting ''the plan sponsor adopts''.

(I) Section 4971(g)(4) of the 1986 Code is amended—

(i) in subparagraph (B)(ii), by striking ''first day of'' and inserting ''day following the close of'', and

(ii) by striking clause (ii) of subparagraph (C) and inserting the following new clause:

''(ii) PLAN SPONSOR.—For purposes of clause (i), the term 'plan sponsor' has the meaning given such term by section 432(i)(9).''.

(3) AMENDMENTS TO 2006 ACT.—

(A) Section 212(b)(2) of the 2006 Act is amended by striking ''Section 4971(c)(2) of such Code'' and inserting ''Section 4971(e)(2) of such Code''.

(B) Section 212(e)(1) of the 2006 Act is amended by inserting '', except that the amendments made by subsection (b) shall apply to taxable years beginning after 2007, but only with respect to plan years beginning after 2007 which end with or within any such taxable year'' before the period at the end.

(C) Section 212(e)(2) of the 2006 Act is amended by striking ''section 305(b)(3) of the Employee Retirement Income Security Act of 1974'' and inserting ''section 432(b)(3) of the Internal Revenue Code of 1986''.

SEC. 4. AMENDMENTS RELATED TO TITLE III.

(a) AMENDMENT RELATED TO SECTION 301.—Clause (ii) of section 101(c)(2)(A) of the Pension Funding Equity Act of 2004, as amended by section 301(c) of the 2006 Act, is amended by striking ''2008'' and inserting ''2009''.

(b) AMENDMENTS RELATED TO SECTION 302.—

(1) AMENDMENT TO ERISA.—Section 205(g)(3)(B)(iii)(II) of ERISA is amended by striking ''section 205(g)(3)(B)(iii)(II)'' and inserting ''section 205(g)(3)(A)(ii)(II)''.

(2) AMENDMENTS TO 1986 CODE.—

(A) Section 417(e)(3)(D)(i) of the 1986 Code is amended by striking ''clause (ii)'' and inserting ''subparagraph (C)''.

(B) Section 415(b)(2)(E)(v) of the 1986 Code is amended to read as follows:

''(v) For purposes of adjusting any benefit or limitation under subparagraph (B), (C), or (D), the mortality table used shall be the applicable mortality table (within the meaning of section 417(e)(3)(B)).''.

SEC. 5. AMENDMENTS RELATED TO TITLE IV.

(a) AMENDMENT RELATED TO SECTION 401.—Section 4006(a)(3)(A)(i) of ERISA is amended by striking ''1990'' and inserting ''2005''.

(b) AMENDMENT RELATED TO SECTION 402.—Section 402(c)(1)(A) of the 2006 Act is amended by striking ''commercial airline'' and inserting ''commercial''.

(c) AMENDMENT RELATED TO SECTION 408.—Section 4044(e) of ERISA, as added by section 408(b)(2) of the 2006 Act, is redesignated as subsection (f).

(d) AMENDMENTS RELATED TO SECTION 409.—Section 4041(b)(5)(A) of ERISA is amended by striking ''subparagraph (B)'' and inserting ''subparagraphs (B) and (D)''.

(e) AMENDMENTS RELATED TO SECTION 410.—Section 4050(d)(4)(A) of ERISA is amended—

(1) by striking ''and'' at the end of clause (i), and

(2) by striking clause (ii) and inserting the following new clauses:

''(ii) which is not a plan described in paragraph (2), (3), (4), (6), (7), (8), (9), (10), or (11) of section 4021(b), and

''(iii) which, was a plan described in section 401(a) of the Internal Revenue Code of 1986 which includes a trust exempt from tax under section 501(a) of such Code, and''.

SEC. 6. AMENDMENTS RELATED TO TITLE V.

(a) AMENDMENT RELATED TO SECTION 501.—Section 101(f)(2)(B)(ii) of ERISA is amended—

(1) by striking ''for which the latest annual report filed under section 104(a) was filed'' in subclause (I)(aa) and inserting ''to which the notice relates'', and

(2) by striking subclause (II) and inserting the following new subclause:

''(II) in the case of a multiemployer plan, a statement, for the plan year to which the notice relates and the preceding 2 plan years, of the value of the plan assets (determined both in the same manner as under section 304 and under the rules of subclause (I)(bb)) and the value of the plan liabilities (determined in the same manner as under section 304 except that the method specified in section 305(i)(8) shall be used),''.

(b) AMENDMENTS RELATED TO SECTION 502.—

(1) Section 101(k)(2) of ERISA is amended by filing at the end the following new flush sentence:

''Subparagraph (C)(i) shall not apply to individually identifiable information with respect to any plan investment manager or adviser, or with respect to any other person (other than an employee of the plan) preparing a financial report required to be included under paragraph (1)(B).''.

(2) Section 4221 of ERISA is amended by striking subsection (e) and by redesignating subsections (f) and (g) as subsections (e) and (f), respectively.

(c) AMENDMENTS RELATED TO SECTION 503.—

(1) AMENDMENTS TO ERISA.—

(A) Section 104(b)(3) of ERISA is amended by—

(i) striking ''section 103(f)'' and inserting ''section 101(f)'', and

(ii) striking ''the administrators'' and inserting ''the administrator''.

(B) Section 104(d)(1)(E)(ii) of ERISA is amended by inserting ''funding'' after ''plan's''.

(2) AMENDMENTS TO 2006 ACT.—Section 503(e) of the 2006 Act is amended by striking ''section 101(f)'' and inserting ''section 104(d)''.

(d) AMENDMENT RELATED TO SECTION 505.—Section 4010(d)(2)(B) of ERISA is amended by striking ''section 302(d)(2)'' and inserting ''section 303(d)(2)''.

(e) AMENDMENTS RELATED TO SECTION 506.—

(1) Section 4041(c)(2)(D)(i) of ERISA is amended by striking ''subsection (a)(2)'' the second place it appears and inserting ''subparagraph (A) or the regulations under subsection (a)(2)''.

(2) Section 4042(c)(3)(C)(i) of ERISA is amended—

(A) by striking ''and plan sponsor'' and inserting '', the plan sponsor, or the corporation'', and

(B) by striking ''subparagraph (A)(i)'' and inserting ''subparagraph (A)''.

(f) AMENDMENTS RELATED TO SECTION 508.—Section 209(a) of ERISA is amended—

(1) in paragraph (1)—

(A) by striking ''regulations prescribed by the Secretary'' and inserting ''such regulations as the Secretary may prescribe'', and

(B) by striking the last sentence and inserting ''The report required under this paragraph shall be in the same form, and contain the same information, as periodic benefit statements under section 105(a).'', and

(2) by striking paragraph (2) and inserting the following:

''(2) If more than one employer adopts a plan, each such employer shall furnish to the plan administrator the information necessary for the administrator to maintain the records, and make the reports, required by paragraph (1). Such administrator shall maintain the records, and make the reports, required by paragraph (1).''

(g) AMENDMENT RELATED TO SECTION 509.—Section 101(i)(8)(B) of ERISA is amended to read as follows:

''(B) ONE-PARTICIPANT RETIREMENT PLAN.—For purposes of subparagraph (A), the term 'one-participant retirement plan' means a retirement plan that on the first day of the plan year—

''(i) covered only one individual (or the individual and the individual's spouse) and the individual (or the individual and the individual's spouse) owned 100 percent of the plan sponsor (whether or not incorporated), or

''(ii) covered only one or more partners (or partners and their spouses) in the plan sponsor.''.

SEC. 7. AMENDMENTS RELATED TO TITLE VI.

(a) AMENDMENTS RELATED TO SECTION 601.—

(1) AMENDMENTS TO ERISA.—

(A) Section 408(g)(3)(D)(ii) of ERISA is amended by striking ''subsection (b)(14)(B)(ii)'' and inserting ''subsection (b)(14)(A)(ii)''.

(B) Section 408(g)(6)(A)(i) of ERISA is amended by striking ''financial adviser'' and inserting ''fiduciary adviser''.

(C) Section 408(g)(11)(A) of ERISA is amended—

(i) by striking ''the participant'' each place it appears and inserting ''a participant'', and

(ii) by striking ''section 408(b)(4)'' in clause (ii) and inserting ''subsection (b)(4)''.

(2) AMENDMENTS TO 1986 CODE.—

(A) Section 4975(d)(17) of the 1986 Code, in the matter preceding subparagraph (A), is amended by striking ''and that permits'' and inserting ''that permits''.

(B) Section 4975(f)(8) of the 1986 Code is amended—

(i) in subparagraph (A), by striking ''subsection (b)(14)'' and inserting ''subsection (d)(17)'',

(ii) in subparagraph (C)(iv)(II), by striking ''subsection (b)(14)(B)(ii)'' and inserting ''(d)(17)(A)(ii)'',

(iii) in subparagraph (F)(i)(I), by striking ''financial adviser'' and inserting ''fiduciary adviser,'',

(iv) in subparagraph (I), by striking ''section 406'' and inserting ''subsection (c)'', and

(v) in subparagraph (J)(i)—

(I) by striking ''the participant'' each place it appears and inserting ''a participant'',

(II) in the matter preceding subclause (I), by inserting ''referred to in subsection (e)(3)(B)'' after ''investment advice'', and

(III) in subclause (II), by striking ''section 408(b)(4)'' and inserting ''subsection (d)(4)''.

(3) AMENDMENT TO 2006 ACT.—Section 601(b)(4) of the 2006 Act is amended by striking ''section 4975(c)(3)(B)'' and inserting ''section 4975(e)(3)(B)''.

(b) AMENDMENTS RELATED TO SECTION 611.—

(1) AMENDMENT TO ERISA.—Section 408(b)(18)(C) of ERISA is amended by striking ''or less''.

(2) AMENDMENTS TO 1986 CODE.—Section 4975(d) of the 1986 Code is amended—

(A) in the matter preceding subparagraph (A) of paragraph (18)—

(i) by striking ''party in interest'' and inserting ''disqualified person'', and

(ii) by striking ''subsection (e)(3)(B)'' and inserting ''subsection (e)(3)'',

(B) in paragraphs (19), (20), and (21), by striking ''party in interest'' each place it appears and inserting ''disqualified person'', and

(C) by striking ''or less'' in paragraph (21)(C).

(c) AMENDMENTS RELATED TO SECTION 612.—Section 4975(f)(11)(B)(i) of the 1986 Code is amended by—

(1) inserting ''of the Employee Retirement Income Security Act of 1974'' after ''section 407(d)(1)'', and

(2) inserting ''of such Act'' after ''section 407(d)(2)''.

(d) AMENDMENTS RELATED TO SECTION 621.—Section 404(c)(1) of ERISA is amended—

(1) by inserting ''(or any period that would be a blackout period but for the fact that it is a period of 3 consecutive business days or less)'' after ''blackout period'' in subparagraph (A)(ii), and

(2) by inserting the following new sentence at the end of subparagraph (B): ''In the case of any period that would be a blackout period but for the fact that it is a period of 3 consecutive business days or less, the preceding sentence shall apply to such period if the person referred to in subparagraph (A)(ii) meets the requirements described in the preceding sentence with respect to such period in the same manner as if it were a blackout period.''

(e) AMENDMENTS RELATED TO SECTION 624.—Section 404(c)(5) of ERISA is amended by striking ''participant'' each place it appears and inserting ''participant or beneficiary''.

SEC. 8. AMENDMENTS RELATED TO TITLE VII.

(1) AMENDMENTS TO ERISA.—

(A) Section 203(f)(1)(B) of ERISA is amended to read as follows:

''(B) the requirements of section 204(c) or 205(g), or the requirements of subsection (e), with respect to accrued benefits derived from employer contributions,''.

(B) Section 204(b)(5) of ERISA is amended—

(i) by striking ''clause'' in subparagraph (A)(iii) and inserting ''subparagraph'', and

(ii) by inserting ''otherwise'' before ''allowable'' in subparagraph (C).

(C) Subclause (II) of section 204(b)(5)(B)(i) of ERISA is amended to read as follows:

''(II) PRESERVATION OF CAPITAL.—An applicable defined benefit plan shall be treated as failing to meet the requirements of paragraph (1)(H) unless the plan provides that an interest credit (or equivalent amount) of less than zero shall in no event result in the account balance or similar amount being less than the aggregate amount of contributions credited to the account.''.

(2) AMENDMENTS TO 1986 CODE.—

(A) Section 411(b)(5) of the 1986 Code is amended—

(i) by striking ''clause'' in subparagraph (A)(iii) and inserting ''subparagraph'', and

(ii) by inserting ''otherwise'' before ''allowable'' in subparagraph (C).

(B) Section 411(a)(13)(A) of the 1986 Code is amended—

(i) by striking ''paragraph (2)'' in clause (i) and inserting ''subparagraph (B)'',

(ii) by striking clause (ii) and inserting the following new clause:

''(ii) the requirements of subsection (a)(11) or (c), or the requirements of section 417(e), with respect to accrued benefits derived from employer contributions,'', and

(iii) by striking ''paragraph (3)'' in the matter following clause (ii) and inserting ''subparagraph (C)''.

(C) Subclause (II) of section 411(b)(5)(B)(i) of the 1986 Code is amended to read as follows:

''(II) PRESERVATION OF CAPITAL.—An applicable defined benefit plan shall be treated as failing to meet the requirements of paragraph (1)(H) unless the plan provides that an interest credit (or equivalent amount) of less than zero shall in no event result in the account balance or similar amount being less than the aggregate amount of contributions credited to the account.''.

(3) AMENDMENTS TO 2006 ACT.—

(A) Section 701(d)(2) of the 2006 Act is amended by striking ''204(g)'' and inserting ''205(g)''.

(B) Section 701(e) of the 2006 Act is amended—

(i) by inserting ''on or'' after ''period'' in paragraph (3),

(ii) in paragraph (4)—

(I) by inserting ''the earlier of'' after ''before'' in the matter preceding subparagraph (A), and

(II) by striking ''earlier'' and inserting ''later'' in subparagraph (A),

(iii) by inserting ''on or'' before ''after'' each place it appears in paragraph (5), and

(iv) by adding at the end the following new paragraph:

''(6) SPECIAL RULE FOR VESTING REQUIREMENTS.—The requirements of section 203(f)(2) of the Employee Retirement Income Security Act of 1974 and section 411(a)(13)(B) of the Internal Revenue Code of 1986 (as added by this Act)—

''(A) shall not apply to a participant who does not have an hour of service after the effective date of such requirements (as otherwise determined under this subsection); and

''(B) in the case of a plan other than a plan described in paragraph (3) or (4), shall apply to plan years ending on or after June 29, 2005.''.

SEC. 9. AMENDMENTS RELATED TO TITLE VIII.

(a) AMENDMENTS RELATED TO SECTION 801.—

(1) Section 404(o) of the 1986 Code is amended—

(A) by striking ''430(g)(2)'' in paragraph (2)(A)(ii) and inserting ''430(g)(3)'', and

(B) by striking ''412(f)(4)'' in paragraph (4)(B) and inserting ''412(d)(3)''.

(2) Section 404(a)(7)(A) of the 1986 Code is amended—

(A) by striking the next to last sentence, and

(B) by striking ''the plan's funding shortfall determined under section 430'' in the last sentence and inserting ''the excess (if any) of the plan's funding target (as defined in section 430(d)(1)) over the value of the plan's assets (as determined under section 430(g)(3))''.

(b) AMENDMENT RELATED TO SECTION 803.—Clause (iii) of section 404(a)(7)(C) of the 1986 Code is amended to read as follows:

''(iii) LIMITATION.—In the case of employer contributions to 1 or more defined contribution plans—

''(I) if such contributions do not exceed 6 percent of the compensation otherwise paid or accrued during the taxable year to the beneficiaries under such plans, this paragraph shall not apply to such contributions or to employer contributions to the defined benefit plans to which this paragraph would otherwise apply by reason of contributions to the defined contribution plans, and

''(II) if such contributions exceed 6 percent of such compensation, this paragraph shall be applied by only taking into account such contributions to the extent of such excess.

For purposes of this clause, amounts carried over from preceding taxable years under subparagraph (B) shall be treated as employer contributions to 1 or more defined contributions plans to the extent attributable to employer contributions to such plans in such preceding taxable years.''.

(c) AMENDMENTS RELATED TO SECTION 824.—

(1) Section 408A(c)(3)(B) of the 1986 Code, as in effect after the amendments made by section 824(b)(1) of the 2006 Act, is amended—

(A) by striking the second ''an'' before ''eligible'',

(B) by striking ''other than a Roth IRA'', and

(C) by adding at the end the following new flush sentence:

''This subparagraph shall not apply to a qualified rollover contribution from a Roth IRA or to a qualified rollover contribution from a designated Roth account which is a rollover contribution described in section 402A(c)(3)(A).''

(2) Section 408A(d)(3)(B), as in effect after the amendments made by section 824(b)(2)(B) of the 2006 Act, is amended by striking ''(other than a Roth IRA)'' and by inserting at the end the following new sentence: ''This paragraph shall not apply to a distribution which is a qualified rollover contribution from a Roth IRA or a qualified rollover contribution from a designated Roth account which is a rollover contribution described in section 402A(c)(3)(A)''.

(d) AMENDMENT TO SECTION 827.—The first sentence of section 72(t)(2)(G)(iv) of the 1986 Code is amended by inserting ''on or'' before ''before''.

(e) AMENDMENTS RELATED TO SECTION 829.—

(1) Section 402(c)(11) of the 1986 Code is amended—

(A) by inserting ''described in paragraph (8)(B)(iii)'' after ''eligible retirement plan'' in subparagraph (A), and

(B) by striking ''trust'' before ''designated beneficiary'' in subparagraph (B).

(2)(A) Section 402(f)(2)(A) of the 1986 Code is amended by adding at the end the following new sentence: ''Such term shall include any distribution which is treated as an eligible rollover distribution by reason of section 403(a)(4)(B), 403(b)(8)(B), or 457(e)(16)(B).''

(B) Clause (i) of section 402(c)(11) of the 1986 Code is amended by striking ''for purposes of this subsection''.

(C) The amendments made by this paragraph shall apply with respect to plan years beginning after December 31, 2008.

(f) AMENDMENT RELATED TO SECTION 832.—Section 415(f) of the 1986 Code is amended by striking paragraph (2) and by redesignating paragraph (3) as paragraph (2).

(g) AMENDMENTS RELATED TO SECTION 833.—

(1) Section 408A(c)(3)(C) of the 1986 Code, as added by section 833(c) of the 2006 Act, is redesignated as subparagraph (E).

(2) In the case of taxable years beginning after December 31, 2009, section 408A(c)(3)(E) of the 1986 Code (as redesignated by paragraph (1))—

(A) is redesignated as subparagraph (D), and

(B) is amended by striking ''subparagraph (C)(ii)'' and inserting ''subparagraph (B)(ii)''.

(h) AMENDMENTS RELATED TO SECTION 841.—

(1) Section 420(c)(1)(A) of the 1986 Code is amended by adding at the end the following new sentence: ''In the case of a qualified future transfer or collectively bargained transfer to which subsection (f) applies, any assets so transferred may also be used to pay liabilities described in subsection (f)(2)(C).''

(2) Section 420(f)(2) of the 1986 Code is amended by striking ''such'' before ''the applicable'' in subparagraph (D)(i)(I).

(3) Section 4980(c)(2)(B) of the 1986 Code is amended by striking ''or'' at the end of clause (i), by striking the period at the end of clause (ii) and inserting '', or'', and by adding at the end the following new clause:

''(iii) any transfer described in section 420(f)(2)(B)(ii)(II).''.

(i) AMENDMENTS RELATED TO SECTION 845.—

(1) Subsection (l) of section 402 of the 1986 Code is amended—

(A) in paragraph (1)—

(i) by inserting ''maintained by the employer described in paragraph (4)(B)'' after ''an eligible retirement plan'', and

(ii) by striking ''of the employee, his spouse, or dependents (as defined in section 152)'' ,

(B) in paragraph (4)(D), by—

(i) inserting ''(as defined in section 152)'' after ''dependents'', and

(ii) striking ''health insurance plan'' and inserting ''health plan'', and

(C) in paragraph (5)(A), by striking ''health insurance plan'' and inserting ''health plan''.

(2) Subparagraph (B) of section 402(l)(3) of the 1986 Code is amended by striking ''all amounts distributed from all eligible retirement plans were treated as 1 contract for purposes of determining the inclusion of such distribution under section 72'' and inserting ''all amounts to the credit of the eligible public safety officer in all eligible retirement plans maintained by the employer described in paragraph (4)(B) were distributed during such taxable year and all such plans were treated as 1 contract for purposes of determining under section 72 the aggregate amount which would have been so includible''.

(j) AMENDMENTS RELATED TO SECTION 854.—

(1) Section 3121(b)(5)(E) of the 1986 Code is amended by striking ''or special trial judge''.

(2) Section 210(a)(5)(E) of the Social Security Act is amended by striking ''or special trial judge''.

(k) AMENDMENTS RELATED TO SECTION 856.—Section 856 of the 2006 Act, and the amendments made by such section, are hereby repealed, and the Internal Revenue Code of 1986 shall be applied and administered as if such sections and amendments had not been enacted.

(l) AMENDMENT RELATED TO SECTION 864.—Section 864(a) of the 2006 Act is amended by striking ''Reconciliation''.

SEC. 10. AMENDMENTS RELATED TO TITLE IX.

(a) AMENDMENT RELATED TO SECTION 901.—Section 401(a)(35)(E)(iv) of the 1986 Code is amended to read as follows:

''(iv) ONE-PARTICIPANT RETIREMENT PLAN.—For purposes of clause (iii), the term 'one-participant retirement plan' means a retirement plan that on the first day of the plan year—

''(I) covered only one individual (or the individual and the individual's spouse) and the individual (or the individual and the individual's spouse) owned 100 percent of the plan sponsor (whether or not incorporated), or

''(II) covered only one or more partners (or partners and their spouses) in the plan sponsor.''.

(b) AMENDMENTS RELATED TO SECTION 902.—

(1) Section 401(k)(13)(D)(i)(I) of the 1986 Code is amended by striking ''such compensation as exceeds 1 percent but does not'' and inserting ''such contributions as exceed 1 percent but do not''.

(2) Sections 401(k)(8)(E) and 411(a)(3)(G) of the 1986 Code are each amended—

(A) by striking ''an erroneous automatic contribution'' and inserting ''a permissible withdrawal'', and

(B) by striking ''ERRONEOUS AUTOMATIC CONTRIBUTION'' in the heading and inserting ''PERMISSIBLE WITHDRAWAL''.

(3) Section 402(g)(2)(A)(ii) of the 1986 Code is amended by inserting ''through the end of such taxable year'' after ''such amount''.

(4) Section 414(w)(3) of the 1986 Code is amended—

(A) in subparagraph (B), by inserting ''and'' after the comma at the end,

(B) by striking subparagraph (C), and

(C) by redesignating subparagraph (D) as subparagraph (C).

(5) Section 414(w)(5) of the 1986 Code is amended by striking ''and'' at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting a comma, and by adding at the end the following:

''(D) a simplified employee pension the terms of which provide for a salary reduction arrangement described in section 408(k)(6), and

''(E) a simple retirement account (as defined in section 408(p)).''.

(6) Section 414(w)(6) of the 1986 Code is amended by inserting ''or for purposes of applying the limitation under section 402(g)(1)'' before the period at the end.

(c) AMENDMENTS RELATED TO SECTION 903.—

(1) AMENDMENT OF 1986 CODE.—Section 414(x)(1) of the 1986 Code is amended by adding at the end of paragraph (1) the following new sentence: ''In the case of a termination of the defined benefit plan and the applicable defined contribution plan forming part of an eligible combined plan, the plan administrator shall terminate each such plan separately.''

(2) AMENDMENTS OF ERISA.—Section 210(e) of ERISA is amended—

(A) by adding at the end of paragraph (1) the following new sentence: ''In the case of a termination of the defined benefit plan and the applicable defined contribution plan forming part of an eligible combined plan, the plan administrator shall terminate each such plan separately.'', and

(B) by striking paragraph (3) and by redesignating paragraphs (4), (5), and (6) as paragraphs (3), (4), and (5), respectively.

(d) AMENDMENTS RELATED TO SECTION 906.—

(1) Section 906(b)(1)(B)(ii) of the 2006 Act is amended by striking ''paragraph (1)'' and inserting ''paragraph (10)''.

(2) Section 4021(b) of ERISA is amended by inserting ''or'' at the end of paragraph (12), by striking ''; or'' at the end of paragraph (13) and inserting a period, and by striking paragraph (14).

SEC. 11. AMENDMENTS RELATED TO TITLE X.

(a) AMENDMENTS TO RAILROAD RETIREMENT ACT.—

(1) Section 14(b) of the Railroad Retirement Act of 1974 (45 U.S.C. 231m(b)) is amended by adding at the end the following:

''(3)(i) Payments made pursuant to paragraph (2) of this subsection shall not require that the employee be entitled to an annuity under section 2(a)(1) of this Act: Provided,

however, That where an employee is not entitled to such an annuity, payments made pursuant to paragraph (2) may not begin before the month in which the following three conditions are satisfied:

''(A) The employee has completed ten years of service in the railroad industry or, five years of service all of which accrues after December 31, 1995.

''(B) The spouse or former spouse attains age 62.

''(C) The employee attains age 62 (or if deceased, would have attained age 62).

''(ii) Payments made pursuant to paragraph (2) of this subsection shall terminate upon the death of the spouse or former spouse, unless the court document provides for termination at an earlier date. Notwithstanding the language in a court order, that portion of payments made pursuant to paragraph (2) which represents payments computed pursuant to section 3(f)(2) of this Act shall not be paid after the death of the employee.

''(iii) If the employee is not entitled to an annuity under section 2(a)(1) of this Act, payments made pursuant to paragraph (2) of this subsection shall be computed as though the employee were entitled to an annuity.''.

(2) Subsection (d) of section 5 of the Railroad Retirement Act (45 U.S.C. 231d) is repealed.

(b) EFFECTIVE DATES.—

(1) SUBSECTION (a)(1).—The amendment made by subsection (a)(1) shall apply with respect to payments due for months after August 2007. If, prior to the effective date of such amendment, payment pursuant to paragraph (2) of section 14(b) of the Railroad Retirement Act of 1974 (45 U.S.C. 231m(b)) was terminated because of the employee's death, payment to the former spouse may be reinstated for months after August 2007.

(2) SUBSECTION (a)(2).—The amendment made by subsection (a)(2) shall take effect upon the date of the enactment of this Act.

SEC. 12. AMENDMENTS RELATED TO TITLE XI.

(a) AMENDMENT RELATED TO SECTION 1104.—Section 1104(d)(1) of the 2006 Act is amended by striking ''Act'' the first place it appears and inserting ''section''.

(b) AMENDMENTS RELATED TO SECTION 1105.—Section 3304(a) of the 1986 Code is amended—

(1) in paragraph (15)—

(A) by redesignating clauses (i) and (ii) of subparagraph (A) as subclauses (I) and (II),

(B) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii),

(C) by striking the semicolon at the end of clause (ii) (as so redesignated) and inserting '', and'',

(D) by striking ''(15)'' and inserting ''(15)(A) subject to subparagraph (B),'', and

(E) by adding at the end the following:

''(B) the amount of compensation shall not be reduced on account of any payments of governmental or other pensions, retirement or retired pay, annuity, or other similar payments which are not includible in the gross income of the individual for the taxable year in which it was paid because it was part of a rollover distribution;'', and

(2) by striking the last sentence.

(c) AMENDMENTS RELATED TO SECTION 1106.—Section 3(37)(G) of ERISA is amended by—

(1) striking ''paragraph'' each place it appears in clauses (ii), (iii), and (v)(I) and inserting ''subparagraph'',

(2) striking ''subclause (i)(II)'' in clause (iii) and inserting ''clause (i)(II)'',

(3) striking ''subparagraph'' in clause (v)(II) and inserting ''clause'', and

(4) by striking ''section 101(b)(4)'' in clause (v)(III) and inserting ''section 101(b)(1)''.

SEC. 13. AMENDMENT RELATED TO TITLE XII.

Section 408(d)(8)(D) of the 1986 Code is amended by striking ''all amounts distributed from all individual retirement plans were treated as 1 contract under paragraph (2)(A) for purposes of determining the inclusion of such distribution under section 72'' and inserting ''all amounts in all individual retirement plans of the individual were distributed during such taxable year and all such plans were treated as 1 contract for purposes of determining under section 72 the aggregate amount which would have been so includible''.

SEC. 14. OTHER PROVISIONS.

(a) AMENDMENTS RELATED TO SECTIONS 102 AND 112.—

(1) AMENDMENT OF ERISA.—The last sentence of section 303(g)(3)(B) of ERISA is amended to read as follows: ''Any such averaging shall be adjusted for contributions, distributions, and expected earnings (as determined by the plan's actuary on the basis of an assumed earnings rate specified by the actuary but not in excess of the third segment rate applicable under subsection (h)(2)(C)(iii)), as specified by the Secretary of the Treasury.''.

(2) AMENDMENT OF 1986 CODE.—The last sentence of section 430(g)(3)(B) of the 1986 Code is amended to read as follows: ''Any such averaging shall be adjusted for contributions, distributions, and expected earnings (as determined by the plan's actuary on the basis of an assumed earnings rate specified by the actuary but not in excess of the third segment rate applicable under subsection (h)(2)(C)(iii)), as specified by the Secretary.''.

(b) AMENDMENTS RELATED TO SECTION 1004.—

(1) AMENDMENT OF ERISA.—Paragraph (2) of section 205(d) of ERISA is amended by adding at the end the following:

''(C) Notwithstanding subparagraph (B), the applicable percentage is any percentage greater than or equal to 66⅔ percent but not more than 75 percent if—

''(i) the plan is a defined contribution plan maintained for its employees by an employer which is either exempt from tax under section 501(a) of the Internal Revenue Code of 1986 or aggregated under subsection (b), (c), (m), or (o) of section 414 of such Code with an organization that is exempt from tax under section 501(a) of such Code,

''(ii) the survivor annuity percentage for the plan's qualified joint and survivor annuity is 50 percent, and

''(iii) each participant may elect (subject to the requirements of subsection (a)) an annuity for the life of the participant with a survivor annuity for the life of the spouse which is equal to 100 percent of the amount of the annuity which is payable during the joint lives of the participant and spouse and which is the actuarial equivalent of a single annuity for the life of the participant.''.

(2) AMENDMENT OF 1986 CODE.—Subsection (g) of section 417 of the 1986 Code is amended by adding at the end the following:

''(3) ALTERNATIVE METHOD OF COMPLIANCE.—Notwithstanding paragraph (2), the applicable percentage is any percentage greater than or equal to 66⅔ percent but not more than 75 percent if—

''(A) the plan is a defined contribution plan maintained for its employees by an employer which is either exempt from tax under section 501(a) or aggregated under subsection (b), (c), (m), or (o) of section 414 with an organization that is exempt from tax under section 501(a),

''(B) the survivor annuity percentage for the plan's qualified joint and survivor annuity is 50 percent, and

''(C) each participant may elect (subject to the requirements of subsection (a)) an annuity for the life of the participant with a survivor annuity for the life of the spouse which is equal to 100 percent of the amount of the annuity which is payable during the joint lives of the participant and spouse and which is the actuarial equivalent of a single annuity for the life of the participant.''.

SEC. 15. EFFECTIVE DATE.

Except as otherwise provided in this Act, the amendments made by this Act shall take effect as if included in the provisions of the 2006 Act to which the amendments relate.

SA 3892. Mr. REID (for Mr. LAUTENBERG) proposed an amendment to the bill H.R. 3432, to establish the Commission on the Abolition of the Transatlantic Slave Trade; as follows:

On page 15, strike lines 3 through 5.

NOTICE OF HEARING

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the Committee on Energy and Natural Resources. The hearing will be held on Thursday, January 24, 2008, at 9:30 a.m., in room SD–366 of the Dirksen Senate Office Building.

The purpose of this oversight hearing is to receive testimony on Reform of the Mining Law of 1872.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send it to the Committee on Energy and Natural Resources, United States Senate, Washington, DC 20510–6150, or by e-mail to Gina__Weinstock@energy.senate gov.

For further information, please contact Patty Beneke at (202) 224–5451, Angela Becker-Dippman at (202) 224–5269 or Gina Weinstock at (202) 224–5684.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. WYDEN. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on Wednesday, December 19, 2007, at 10 a.m., in room 253 of the Russell Senate Office Building, for the purpose of conducting a hearing.

The primary focus of the hearing will be on the Federal Motor Carrier Safety Administration's, FMCSA, interim final rule, IFR, governing truck driver HOS. This IFR is in response to a July 2007 U.S. Court of Appeals decision vacating key aspects of the FMCSA's 2005 HOS rule. The Subcommittee will receive testimony on the IFR and related truck driver fatigue and truck safety matters from the FMCSA, truck safety advocates and the motor carrier industry. Subcommittee Chairman Frank R. Lautenberg will preside.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. WYDEN. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, December 19, 2007, at 9:30 a.m. in order to hold a nomination hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. WYDEN. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, December 19, 2007, at 11 a.m. hold a briefing on Kosovo.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. WYDEN. Mr. President, I ask unanimous consent that the Senate Committee on the Judiciary be authorized to meet during the session of the Senate in order to conduct a hearing entitled ''Executive Nominations'' on Wednesday, December 19, 2007 at 10 a.m. in room SD–226 of the Dirksen Senate Office Building.

Witness list

Mark R. Filip, of Illinois, to be Deputy Attorney General, Department of Justice.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGES OF THE FLOOR

Mr. REED. Mr. President, I ask unanimous consent that a fellow in my office, Melissa Fiffer, be granted floor privileges for the remainder of this session.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. WYDEN. Mr. President, I ask unanimous consent that Gregory Hinrichsen, a fellow in my office, be allowed to come on to the floor for my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEFENDERS OF FREEDOM TAX RELIEF ACT OF 2007

Mr. REID. Mr. President, I ask the Chair to lay before the Senate a message from the House with respect to H.r. 3997.

The legislative clerk read as follows:

Resolved, That the House agree to the amendments of the Senate to the bill (H.R. 3997) entitled ''An Act to amend the Internal Revenue Code of 1986 to provide earnings assistance and tax relief to members of the uniformed services, volunteer firefighters, and Peace Corps volunteers, and for other purposes'', with an amendment.

Mr. BAUCUS. Mr. President, as the Christmas season approaches, it is important to pause and reflect on the sacrifices that our men and women in uniform make for us every day.

Fully 1.4 million American service men and women have served in Iraq, Afghanistan, or both. Nearly 30,000 troops have been wounded in action.

In September, I took a trip to Iraq. I was so impressed by what an amazing job our troops are doing. I met many Montanans from small towns like Roundup and Townsend. Despite all of the hardships that they face—all the danger—they keep at it every day. I saw firsthand what a heavy burden our troops bear for all of us.

Today, one small way to support them in their efforts is to make the Tax Code a little more troop-friendly. We can extend the special tax rules that make sense for our military that expire in 2007 and 2008. And we can eliminate roadblocks in the current tax laws that present difficulties to veterans and servicemembers.

For example, family members of fallen soldiers killed in the line of duty receive a death gratuity benefit of $100,000, but the Tax Code restricts the survivors from contributing this benefit into a Roth IRA. Today we can make sure that the family members of fallen soldiers may take advantage of tax-favored accounts.

Another hazard in the tax laws impeding our disabled veterans is the statute of limitations for filing a tax refund. Most VA disability claims filed by veterans are quickly resolved. But many disability awards are delayed due to lost paperwork or the appeals of rejected claims. Once a disabled vet finally gets a favorable award, the good news is that the disability award is tax-free. But the bad news is that many of these disabled veterans get ambushed by a statute that bars them from filing a tax refund claim. Today, we can give disabled veterans an extra year to claim their tax refunds.

Most troops doing the heavy lifting in combat situations are the lower ranking, lower income bracket soldiers. Their income needs to count towards computing the earned income tax credit, or EITC. But the provision that makes EITC work for combat troops expires at the end of 2007. The EITC is a very beneficial tax provision available to working Americans. And it makes no sense to deny it to our troops. Today we can make combat duty income count for EITC purposes and make this change to the Tax Code permanent.

I should mention that these tax provisions are fully paid for. A change in the Tax Code makes sure that any individual relinquishing their U.S. citizenship is still on the hook to pay for their fair share of U.S. taxes.

A soldier's rucksack is heavy enough as it is without loading it down with tax burdens. We owe the Americans fighting in our armed forces an enormous debt of gratitude.

That's why today I am asking for these important tax reforms. They are one small way that we can salute our men and women in uniform for all they do.

Also included in this package are a series of tax technical corrections. These noncontroversial provisions contain corrections to various tax acts from 1999, 2001, 2003, 2004, 2005 and 2006.

These technical changes include clarifications on the contributions of fractional interests in tangible property, modification of the active business definition under section 355, timing of claims for excess alternative fuel, and the treatment of losses on positions in identified straddles.

The technical corrections package also includes a number of clerical and conforming amendments, including amendments correcting typographical errors. This package makes sense and adds clarity to the code, which we desperately need as we head into the 2007 filing season.

Mr. REID. Mr. President, I ask unanimous consent that the Senate concur in the House amendment to the Senate amendments with an amendment, which is at the desk, and that the amendment be agreed to, the motion to reconsider be laid upon the table, and that the previous order with respect to this bill remain in effect.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment (No. 3890) was agreed to.

(The amendment is printed in today's RECORD under ''Text of Amendments.'')

PENSION PROTECTION TECHNICAL CORRECTIONS ACT OF 2007

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to Calendar No. 333, S. 1974.

The ACTING PRESIDENT pro tempore. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 1974) to make technical corrections related to the Pension Protection Act of 2006.

There being no objection, the Senate proceeded to consider the bill.

Mr. BAUCUS. Mr. President, in connection with S. 1974, the Pension Protection Technical Corrections Act of 2007, the ranking Republican member of the Finance Committee, Senator GRASSLEY, and I have prepared a joint statement that contains an explanation of the bill. This explanation expresses the Senate Finance Committee's understanding of the provisions of the bill and serves as a reference in understanding the legislative intent behind this important legislation.

I ask unanimous consent that this joint statement be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JOINT STATEMENT OF SENATORS MAX BAUCUS AND CHUCK GRASSLEY

The Pension Protection Act of 2006 arguably marks the most sweeping changes to

the pension laws since the enactment of the Employee Retirement Income Security Act of 1974. In general, the Act, which was signed into law on August 17, 2006, changes the funding rules for single-employer defined benefit pension plans, expands the deduction limits for contributions to such plans, modifies the rules for determining lump sum distributions, and provides clarification and adds new rules for cash balance pension plans. The Act also provides special funding rules for plans maintained by airlines and airline catering companies, provides new rules for multiemployer pension plans, and requires increased disclosure of pension plan information. In the defined contribution plan area, the Pension Act adds rules relating to automatic enrollment plans, eliminating legal impediments to such arrangements and providing incentives for plan sponsors to adopt these arrangements. There were modifications to prohibited transactions and other fiduciary rules under ERISA, particularly with regard to the provision of investment advice. A welcome addition to the Act was the elimination of the expiration date of the tax provisions added as part of the Economic Growth and Tax Relief Reconciliation Act of 2001, so that the increases in contribution limits to IRAs, 401(k), 403(b), and 457 plans, the catch-up contribution and the Roth 401(k), will continue to apply and not sunset in 2010.

Like many complicated pieces of legislation, technical corrections to the law must be made. Technical corrections to the law are often time sensitive. That is, many of them must be passed by both Houses of Congress before the effective date of the statute. Like many of the rules under the Pension Act, the funding rules for single-employer defined benefit pension plans are effective January 1, 2008. If technical corrections to the single-employer defined benefit plan funding rules are not passed by year-end, the pension community and the Department of Treasury—the agency tasked with interpreting the statute and providing the necessary details on how the new law works—will be placed in a very tough spot. That is, the Department of Treasury will not have the necessary corrections and clarifications of the original intent of the Act to sufficiently issue the details necessary to allow the pension community to achieve proper compliance. This is not fair to the pension community or the Treasury Department. Failing to pass a pension technical corrections bill by December 31, 2007, would therefore be irresponsible.

It has come to the Senate's attention that the House of Representatives does not share the Senate's sense of urgency about these time-sensitive pension technical corrections. We don't understand this position. Perhaps, the House majority wants to re-negotiate the Pension Act, which could be accomplished by delaying the effective date of the statute for 1 year. We would like to remind everyone that the Senate passed the Act by a 93 to 5 vote. It is clear that a bipartisan majority of the Senate thinks the Pension Act is good pension policy. It is also clear that the Senate does not and would not support delaying effective date of the statute. That is a non-starter.

So we urge the House to heed the warnings from the pension community that pension plan participants could be adversely affected without the necessary corrections and clarifications of the Pension Act. We urge the House to pass S. 1974 before Congress adjourns. Failure to pass a pension technical corrections package would send the wrong message to plan sponsors and pension plan participants.

Mr. REID. Mr. President, I ask unanimous consent that the amendment at the desk be considered and agreed to, the bill, as amended, be read a third time, passed, and the motion to reconsider be laid upon the table; that any statements relating to this matter be printed in the RECORD; that upon passage, the bill remain at the desk until such time the Senate receives a companion measure from the House; that the Senate then proceed to its consideration; that all after the enacting clause be stricken, the text of S. 1974, as amended, be inserted in lieu thereof, the bill advanced to third reading, passed, and the motion to reconsider be laid upon the table without further intervening action or debate, and that S. 1974 be returned to the calendar.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment (No. 3891) was agreed to.

(The amendment is printed in today's RECORD under ''Text of Amendments.''

The bill was ordered to be engrossed for a third reading and was read the third time.

The bill (S. 1974), as amended, was read the third time and passed, as follows:

S. 1974

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; REFERENCES TO ACTS.

(a) IN GENERAL.—This Act may be cited as the ''Pension Protection Technical Corrections Act of 2007''.

(b) REFERENCES TO ACTS.—For purposes of this Act—

(1) AMENDMENT OF 1986 CODE.—The term ''1986 Code'' means the Internal Revenue Code of 1986.

(2) AMENDMENT OF ERISA.—The term ''ERISA'' means the Employee Retirement Income Security Act of 1974.

(3) 2006 ACT.—The term ''2006 Act'' means the Pension Protection Act of 2006.

SEC. 2. AMENDMENTS RELATED TO TITLE I.

(a) AMENDMENTS RELATED TO SECTIONS 101 AND 111.—

(1) AMENDMENTS TO ERISA.—

(A) Clause (i) of section 302(c)(1)(A) of ERISA is amended by striking ''the plan is'' and inserting ''the plan are''.

(B) Section 302(c)(7) of ERISA is amended by inserting ''which reduces the accrued benefit of any participant'' after ''subsection (d)(2)'' in subparagraph (A).

(C) Section 302(d)(1) of ERISA is amended by striking '', the valuation date,''.

(2) AMENDMENTS TO 1986 CODE.—

(A) Clause (i) of section 412(c)(1)(A) of the 1986 Code is amended by striking ''the plan is'' and inserting ''the plan are''.

(B) Section 412(c)(7) of the 1986 Code is amended by inserting ''which reduces the accrued benefit of any participant'' after ''subsection (d)(2)'' in subparagraph (A).

(C) Section 412(d)(1) of the 1986 Code is amended by striking '', the valuation date,''.

(b) AMENDMENTS RELATED TO SECTIONS 102 AND 112.—

(1) AMENDMENTS TO ERISA.—

(A) Section 303(b) of ERISA is amended to read as follows:

''(b) TARGET NORMAL COST.—For purposes of this section—

''(1) IN GENERAL.—Except as provided in subsection (i)(2) with respect to plans in at-risk status, the term 'target normal cost' means, for any plan year, the excess of—

''(A) the sum of—

''(i) the present value of all benefits which are expected to accrue or to be earned under the plan during the plan year, plus

''(ii) the amount of plan-related expenses expected to be paid from plan assets during the plan year, over

''(B) the amount of mandatory employee contributions expected to be made during the plan year.

''(2) SPECIAL RULE FOR INCREASE IN COMPENSATION.—For purposes of this subsection, if any benefit attributable to services performed in a preceding plan year is increased by reason of any increase in compensation during the current plan year, the increase in such benefit shall be treated as having accrued during the current plan year.''.

(B) Section 303(c)(5)(B)(iii) of ERISA is amended by inserting ''beginning'' before ''after 2008''.

(C) Section 303(c)(5)(B)(iv)(II) of ERISA is amended by inserting ''for such year'' after ''beginning in 2007)''.

(D) Section 303(f)(4)(A) of ERISA is amended by striking ''paragraph (2)'' and inserting ''paragraph (3)''.

(E) Section 303(h)(2)(F) of ERISA is amended—

(i) by striking ''section 205(g)(3)(B)(iii)(I)) for such month'' and inserting ''section 205(g)(3)(B)(iii)(I for such month)'', and

(ii) by striking ''subparagraph (B)'' and inserting ''subparagraph (C)''.

(F) Section 303(i) of ERISA is amended—

(i) in paragraph (2)—

(I) by striking subparagraph (A) and inserting the following new subparagraph:

''(A) the excess of—

''(i) the sum of—

''(I) the present value of all benefits which are expected to accrue or to be earned under the plan during the plan year, determined using the additional actuarial assumptions described in paragraph (1)(B), plus

''(II) the amount of plan-related expenses expected to be paid from plan assets during the plan year, over

''(ii) the amount of mandatory employee contributions expected to be made during the plan year, plus'', and

(II) in subparagraph (B), by striking ''the target normal cost (determined without regard to this paragraph) of the plan for the plan year'' and inserting ''the amount determined under subsection (b)(1)(A)(i) with respect to the plan for the plan year'', and

(ii) by striking ''subparagraph (A)(ii)'' in the last sentence of paragraph (4)(B) and inserting ''subparagraph (A)''.

(G) Section 303(j)(3) of ERISA—

(i) is amended by adding at the end of subparagraph (A) the following new sentence: ''In the case of plan years beginning in 2008, the funding shortfall for the preceding plan year may be determined using such methods of estimation as the Secretary of the Treasury may provide.'',

(ii) by adding at the end of subparagraph (E) the following new clause:

''(iii) PLAN WITH ALTERNATE VALUATION DATE.—The Secretary of the Treasury shall prescribe regulations for the application of this paragraph in the case of a plan which has a valuation date other than the first day of the plan year.'', and

(iii) by striking ''AND SHORT YEARS'' in the heading of subparagraph (E) and inserting '', SHORT YEARS, AND YEARS WITH ALTERNATE VALUATION DATE''.

(H) Section 303(k)(6)(B) of ERISA is amended by striking '', except'' and all that follows and inserting a period.

(2) AMENDMENTS TO 1986 CODE.—

(A) Section 430(b) of the 1986 Code is amended to read as follows:

''(b) TARGET NORMAL COST.—For purposes of this section—

''(1) IN GENERAL.—Except as provided in subsection (i)(2) with respect to plans in at-risk status, the term 'target normal cost' means, for any plan year, the excess of—

''(A) the sum of—

''(i) the present value of all benefits which are expected to accrue or to be earned under the plan during the plan year, plus

''(ii) the amount of plan-related expenses expected to be paid from plan assets during the plan year, over

''(B) the amount of mandatory employee contributions expected to be made during the plan year.

''(2) SPECIAL RULE FOR INCREASE IN COMPENSATION.—For purposes of this subsection, if any benefit attributable to services performed in a preceding plan year is increased by reason of any increase in compensation during the current plan year, the increase in such benefit shall be treated as having accrued during the current plan year.''.

(B) Section 430(c)(5)(B)(iii) of the 1986 Code is amended by inserting ''beginning'' before ''after 2008''.

(C) Section 430(c)(5)(B)(iv)(II) of the 1986 Code is amended by inserting ''for such year'' after ''beginning in 2007)''.

(D) Section 430(f) of the 1986 Code is amended—

(i) by striking ''as of the first day of the plan year'' the second place it appears in the first sentence of paragraph (3)(A),

(ii) by striking ''paragraph (2)'' in paragraph (4)(A) and inserting ''paragraph (3)'',

(iii) by striking ''paragraph (1), (2), or (4) of section 206(g)'' in paragraph (6)(B)(iii) and inserting ''subsection (b), (c), or (e) of section 436'',

(iv) by striking ''the sum of'' in paragraph (6)(C), and

(v) by striking ''of the Treasury'' in paragraph (8).

(E) Section 430(h)(2) of the 1986 Code is amended—

(i) by inserting ''and target normal cost'' after ''funding target'' in subparagraph (B),

(ii) by striking ''liabilities'' and inserting ''benefits'' in subparagraph (B),

(iii) by striking ''section 417(e)(3)(D)(i)) for such month'' in subparagraph (F) and inserting ''section 417(e)(3)(D)(i) for such month)'', and

(iv) by striking ''subparagraph (B)'' in subparagraph (F) and inserting ''subparagraph (C)''.

(F) Section 430(i) of the 1986 Code is amended—

(i) in paragraph (2)—

(I) by striking subparagraph (A) and inserting the following new subparagraph:

''(A) the excess of—

''(i) the sum of—

''(I) the present value of all benefits which are expected to accrue or to be earned under the plan during the plan year, determined using the additional actuarial assumptions described in paragraph (1)(B), plus

''(II) the amount of plan-related expenses expected to be paid from plan assets during the plan year, over

''(ii) the amount of mandatory employee contributions expected to be made during the plan year, plus'', and

(II) in subparagraph (B), by striking ''the target normal cost (determined without regard to this paragraph) of the plan for the plan year'' and inserting ''the amount determined under subsection (b)(1)(A)(i) with respect to the plan for the plan year'', and

(ii) by striking ''subparagraph (A)(ii)'' in the last sentence of paragraph (4)(B) and inserting ''subparagraph (A)''.

(G) Section 430(j)(3) of the 1986 Code is amended—

(i) by adding at the end of subparagraph (A) the following new sentence: ''In the case of plan years beginning in 2008, the funding shortfall for the preceding plan year may be determined using such methods of estimation as the Secretary may provide.'',

(ii) by striking ''section 302(c)'' in subparagraph (D)(ii)(II) and inserting ''section 412(c)'',

(iii) by adding at the end of subparagraph (E) the following new clause:

''(iii) PLAN WITH ALTERNATE VALUATION DATE.—The Secretary shall prescribe regulations for the application of this paragraph in the case of a plan which has a valuation date other than the first day of the plan year.'', and

(iv) by striking ''AND SHORT YEARS'' in the heading of subparagraph (E) and inserting '', SHORT YEARS, AND YEARS WITH ALTERNATE VALUATION DATE''.

(H) Section 430(k) of the 1986 Code is amended—

(i) by inserting ''(as provided under paragraph (2))'' after ''applies'' in paragraph (1), and

(ii) by striking '', except'' and all that follows in paragraph (6)(B) and inserting a period.

(c) AMENDMENTS RELATED TO SECTIONS 103 AND 113.—

(1) AMENDMENTS TO ERISA.—

(A) Section 101(j) of ERISA is amended—

(i) in paragraph (2), by striking ''section 206(g)(4)(B)'' and inserting ''section 206(g)(4)(A)''; and

(ii) by adding at the end the following: ''The Secretary of the Treasury, in consultation with the Secretary, shall have the authority to prescribe rules applicable to the notices required under this subsection.''.

(B) Section 206(g)(1)(B)(ii) of ERISA is amended by striking ''a funding'' and inserting ''an adjusted funding''.

(C) The heading for section 206(g)(1)(C) of ERISA is amended by inserting ''BENEFIT'' after ''EVENT''.

(D) Section 206(g)(3)(E) of ERISA is amended by adding at the end the following new flush sentence:

''Such term shall not include the payment of a benefit which under section 203(e) may be immediately distributed without the consent of the participant.''.

(E) Section 206(g)(5)(A)(iv) of ERISA is amended by inserting ''adjusted'' before ''funding''.

(F) Section 206(g)(9)(C) of ERISA is amended—

(i) by striking ''without regard to this subparagraph and'' in clause (i), and

(ii) in clause (iii)—

(I) by striking ''without regard to this subparagraph'' and inserting ''without regard to the reduction in the value of assets under section 303(f)(4)'', and

(II) by inserting ''beginning'' before ''after'' each place it appears.

(G) Section 206(g) of ERISA is amended by redesignating paragraph (10) as paragraph (11) and by inserting after paragraph (9) the following new paragraph:

''(10) SECRETARIAL AUTHORITY FOR PLANS WITH ALTERNATE VALUATION DATE.—In the case of a plan which has designated a valuation date other than the first day of the plan year, the Secretary of the Treasury may prescribe rules for the application of this subsection which are necessary to reflect the alternate valuation date.''.

(H) Section 502(c)(4) of ERISA is amended by striking ''by any person'' and all that follows through the period and inserting ''by any person of subsection (j), (k), or (l) of section 101 or section 514(e)(3).''.

(2) AMENDMENTS TO 1986 CODE.—

(A) Section 436(b)(2) of the 1986 Code is amended—

(i) by striking ''section 303'' and inserting ''section 430'' in the matter preceding subparagraph (A), and

(ii) by striking ''a funding'' and inserting ''an adjusted funding'' in subparagraph (B).

(B) Section 436(b)(3) of the 1986 Code is amended—

(i) by inserting ''BENEFIT'' after ''EVENT'' in the heading, and

(ii) by striking ''any event'' in subparagraph (B) and inserting ''an event''.

(C) Section 436(d)(5) of the 1986 Code is amended by adding at the end the following new flush sentence:

''Such term shall not include the payment of a benefit which under section 411(a)(11) may be immediately distributed without the consent of the participant.''.

(D) Section 436(f) of the 1986 Code is amended—

(i) by inserting ''adjusted'' before ''funding'' in paragraph (1)(D), and

(ii) by striking ''prefunding balance under section 430(f) or funding standard carryover balance'' in paragraph (2) and inserting ''prefunding balance or funding standard carryover balance under section 430(f)''.

(E) Section 436(j)(3) of the 1986 Code is amended—

(i) in subparagraph (A)—

(I) by striking ''without regard to this paragraph and'',

(II) by striking ''section 430(f)(4)(A)'' and inserting ''section 430(f)(4)'', and

(III) by striking ''paragraph (1)'' and inserting ''paragraphs (1) and (2)'', and

(ii) in subparagraph (C)—

(I) by striking ''without regard to this paragraph'' and inserting ''without regard to the reduction in the value of assets under section 430(f)(4)'', and

(II) by inserting ''beginning'' before ''after'' each place it appears.

(F) Section 436 of the 1986 Code is amended by redesignating subsection (k) as subsection (m) and by inserting after subsection (j) the following new subsections:

''(k) SECRETARIAL AUTHORITY FOR PLANS WITH ALTERNATE VALUATION DATE.—In the case of a plan which has designated a valuation date other than the first day of the plan year, the Secretary may prescribe rules for the application of this section which are necessary to reflect the alternate valuation date.

''(l) SINGLE-EMPLOYER PLAN.—For purposes of this section, the term 'single-employer plan' means a plan which is not a multiemployer plan.''.

(3) AMENDMENTS TO 2006 ACT.—Sections 103(c)(2)(A)(ii) and 113(b)(2)(A)(ii) of the 2006 Act are each amended—

(A) by striking ''subsection'' and inserting ''section'', and

(B) by striking ''subparagraph'' and inserting ''paragraph''.

(d) AMENDMENTS RELATED TO SECTIONS 107 AND 114.—

(1) AMENDMENTS TO ERISA.—

(A) Section 103(d) of ERISA is amended—

(i) in paragraph (3), by striking ''the normal costs, the accrued liabilities'' and inserting ''the normal costs or target normal costs, the accrued liabilities or funding target'', and

(ii) by striking paragraph (7) and inserting the following new paragraph:

''(7) A certification of the contribution necessary to reduce the minimum required contribution determined under section 303, or the accumulated funding deficiency determined under section 304, to zero.''.

(B) Section 4071 of ERISA is amended by striking ''as section 303(k)(4) or 307(e)'' and inserting ''or section 303(k)(4),''.

(2) AMENDMENTS TO 1986 CODE.—

(A) Section 401(a)(29) of the 1986 Code is amended by striking ''ON PLANS IN AT-RISK STATUS'' in the heading.

(B) Section 401(a)(32)(C) of the 1986 Code is amended—

(i) by striking ''section 430(j)'' and inserting ''section 430(j)(3)'', and

(ii) by striking ''paragraph (5)(A)'' and inserting ''section 430(j)(4)(A)''.

(C) Section 401(a)(33) of the 1986 Code is amended—

(i) by striking ''section 412(c)(2)'' in subparagraph (B)(iii) and inserting ''section 412(d)(2)'', and

(ii) by striking ''section 412(b)(2) (without regard to subparagraph (B) thereof)'' in subparagraph (D) and inserting ''section 412(b)(1), without regard to section 412(b)(2)''.

(D) Section 411 of the 1986 Code is amended—

(i) by striking ''section 412(c)(2)'' in subsection (a)(3)(C) and inserting ''section 412(d)(2)'', and

(ii) by striking ''section 412(e)(2)'' in subsection (d)(6)(A) and inserting ''section 412(d)(2)''.

(E) Section 414(l)(2)(B)(i)(I) of the 1986 Code is amended to read as follows:

''(I) the sum of the funding target and target normal cost determined under section 430, over''.

(F) Section 4971 of the 1986 Code is amended—

(i) by striking ''required minimum'' in subsection (b)(1) and inserting ''minimum required'',

(ii) by inserting ''or unpaid minimum required contribution, whichever is applicable'' after ''accumulated funding deficiency'' each place it appears in subsections (c)(3) and (d)(1), and

(iii) by striking ''section 412(a)(1)(A)'' in subsection (e)(1) and inserting ''section 412(a)(2)''.

(3) AMENDMENT TO 2006 ACT.—Section 114 of the 2006 Act is amended by adding at the end the following new subsection:

''(g) EFFECTIVE DATES.—

''(1) IN GENERAL.—The amendments made by this section shall apply to plan years beginning after 2007.

''(2) EXCISE TAX.—The amendments made by subsection (e) shall apply to taxable years beginning after 2007, but only with respect to plan years described in paragraph (1) which end with or within any such taxable year.''.

(e) AMENDMENT RELATED TO SECTION 116.—Section 409A(b)(3)(A)(ii) of the 1986 Code is amended by inserting ''to an applicable covered employee'' after ''under the plan''.

SEC. 3. AMENDMENTS RELATED TO TITLE II.

(a) AMENDMENT RELATED TO SECTIONS 201 AND 211.—Section 201(b)(2)(A) of the 2006 Act is amended by striking ''has not used'' and inserting ''has not adopted, or ceased using,''.

(b) AMENDMENTS RELATED TO SECTIONS 202 AND 212.—

(1) AMENDMENTS TO ERISA.—

(A) Section 305(b)(3)(C) of ERISA is amended by striking ''section 101(b)(4)'' and inserting ''section 101(b)(1)''.

(B) Section 305(b)(3)(D) of ERISA is amended by striking ''The Secretary'' in clause (iii) and inserting ''The Secretary of the Treasury, in consultation with the Secretary''.

(C) Section 305(c)(7) of ERISA is amended—

(i) by striking ''to agree on'' and all that follows in subparagraph (A)(ii) and inserting ''to adopt a contribution schedule with terms consistent with the funding improvement plan and a schedule from the plan sponsor,'', and

(ii) by striking subparagraph (B) and inserting the following new subparagraph:

''(B) DATE OF IMPLEMENTATION.—The date specified in this subparagraph is the date which is 180 days after the date on which the collective bargaining agreement described in subparagraph (A) expires.'', and

(iii) by adding at the end the following new subparagraph:

''(C) FAILURE TO MAKE SCHEDULED CONTRIBUTIONS.—Any failure to make a contribution under a schedule of contribution rates provided under this paragraph shall be treated as a delinquent contribution under section 515 and shall be enforceable as such.''.

(D) Section 305(e) of ERISA is amended—

(i) in paragraph (3)(C)—

(I) by striking all that follows ''to adopt a'' in clause (i)(II) and inserting ''to adopt a contribution schedule with terms consistent with the rehabilitation plan and a schedule from the plan sponsor under paragraph (1)(B)(i),'',

(II) by striking clause (ii) and inserting the following new clause:

''(ii) DATE OF IMPLEMENTATION.—The date specified in this clause is the date which is 180 days after the date on which the collective bargaining agreement described in clause (i) expires.'', and

(III) by adding at the end the following new clause:

''(iii) FAILURE TO MAKE SCHEDULED CONTRIBUTIONS.—Any failure to make a contribution under a schedule of contribution rates provided under this subsection shall be treated as a delinquent contribution under section 515 and shall be enforceable as such.'',

(ii) in paragraph (4)—

(I) by striking ''the date of'' in subparagraph (A)(ii), and

(II) by striking ''and taking'' in subparagraph (B) and inserting ''but taking'',

(iii) in paragraph (6)—

(I) by striking ''paragraph (1)(B)(i)'' and inserting ''the last sentence of paragraph (1)'', and

(II) by striking ''established'' and inserting ''establish'',

(iv) in paragraph (8)(C)(iii)—

(I) by striking ''the Secretary'' in subclause (I) and inserting ''the Secretary of the Treasury, in consultation with the Secretary'', and

(II) by striking ''Secretary'' in the last sentence and inserting ''Secretary of the Treasury'', and

(v) by striking ''an employer's withdrawal liability'' in paragraph (9)(B) and inserting ''the allocation of unfunded vested benefits to an employer''.

(E) Section 305(g) of ERISA is amended by inserting ''under subsection (c)'' after ''funding improvement plan'' the first place it appears.

(F) Section 302(b)(3) of ERISA is amended by striking ''the plan adopts'' and inserting ''the plan sponsor adopts''.

(G) Section 502(c)(2) of ERISA is amended by striking ''101(b)(4)'' and inserting ''101(b)(1)''.

(H) Section 502(c)(8)(A) of ERISA is amended by inserting ''plan'' after ''multiemployer''.

(2) AMENDMENTS TO 1986 CODE.—

(A) Section 432(b)(3)(C) of the 1986 Code is amended by striking ''section 101(b)(4)'' and inserting ''section 101(b)(1)''.

(B) Section 432(b)(3)(D)(iii) of the 1986 Code is amended by striking ''The Secretary of Labor'' and inserting ''The Secretary, in consultation with the Secretary of Labor''.

(C) Section 432(c) of the 1986 Code is amended—

(i) in paragraph (3), by striking ''section 304(d)'' in subparagraph (A)(ii) and inserting ''section 431(d)'', and

(ii) in paragraph (7)—

(I) by striking ''to agree on'' and all that follows in subparagraph (A)(ii) and inserting ''to adopt a contribution schedule with terms consistent with the funding improvement plan and a schedule from the plan sponsor,'', and

(II) by striking subparagraph (B) and inserting the following new subparagraph:

''(B) DATE OF IMPLEMENTATION.—The date specified in this subparagraph is the date which is 180 days after the date on which the collective bargaining agreement described in subparagraph (A) expires.''.

(D) Section 432(e) of the 1986 Code is amended—

(i) in paragraph (3)(C)—

(I) by striking all that follows ''to adopt a'' in clause (i)(II) and inserting ''to adopt a contribution schedule with terms consistent with the rehabilitation plan and a schedule from the plan sponsor under paragraph (1)(B)(i),'', and

(II) by striking clause (ii) and inserting the following new clause:

''(ii) DATE OF IMPLEMENTATION.—The date specified in this clause is the date which is 180 days after the date on which the collective bargaining agreement described in clause (i) expires.'',

(ii) in paragraph (4)—

(I) by striking ''the date of'' in subparagraph (A)(ii), and

(II) by striking ''and taking'' in subparagraph (B) and inserting ''but taking'',

(iii) in paragraph (6)—

(I) by striking ''paragraph (1)(B)(i)'' and inserting ''the last sentence of paragraph (1)'', and

(II) by striking ''established'' and inserting ''establish'',

(iv) in paragraph (8)—

(I) by striking ''section 204(g)'' in subparagraph (A)(i) and inserting ''section 411(d)(6)'',

(II) by inserting ''of the Employee Retirement Income Security Act of 1974'' after ''4212(a)'' in subparagraph (C)(i)(II),

(III) by striking ''the Secretary of Labor'' in subparagraph (C)(iii)(I) and inserting ''the Secretary, in consultation with the Secretary of Labor'', and

(IV) by striking ''the Secretary of Labor'' in the last sentence of subparagraph (C)(iii) and inserting ''the Secretary'', and

(v) by striking ''an employer's withdrawal liability'' in paragraph (9)(B) and inserting ''the allocation of unfunded vested benefits to an employer''.

(E) Section 432(f)(2)(A)(i) of the 1986 Code is amended by striking ''section 411(b)(1)(A)'' and inserting ''section 411(a)(9)''.

(F) Section 432(g) of the 1986 Code is amended by inserting ''under subsection (c)'' after ''funding improvement plan'' the first place it appears.

(G) Section 432(i) of the 1986 Code is amended—

(i) by striking ''section 412(a)'' in paragraph (3) and inserting ''section 431(a)'', and

(ii) by striking paragraph (9) and inserting the following new paragraph:

''(9) PLAN SPONSOR.—For purposes of this section, section 431, and section 4971(g)—

''(A) IN GENERAL.—The term 'plan sponsor' means, with respect to any multiemployer plan, the association, committee, joint board of trustees, or other similar group of representatives of the parties who establish or maintain the plan.

''(B) SPECIAL RULE FOR SECTION 404(c) PLANS.—In the case of a plan described in section 404(c) (or a continuation of such plan), such term means the bargaining parties described in paragraph (1).''.

(H) Section 412(b)(3) of the 1986 Code is amended by striking ''the plan adopts'' and inserting ''the plan sponsor adopts''.

(I) Section 4971(g)(4) of the 1986 Code is amended—

(i) in subparagraph (B)(ii), by striking ''first day of'' and inserting ''day following the close of'', and

(ii) by striking clause (ii) of subparagraph (C) and inserting the following new clause:

''(ii) PLAN SPONSOR.—For purposes of clause (i), the term 'plan sponsor' has the meaning given such term by section 432(i)(9).''.

(3) AMENDMENTS TO 2006 ACT.—

(A) Section 212(b)(2) of the 2006 Act is amended by striking ''Section 4971(c)(2) of such Code'' and inserting ''Section 4971(e)(2) of such Code''.

(B) Section 212(e)(1) of the 2006 Act is amended by inserting '', except that the amendments made by subsection (b) shall apply to taxable years beginning after 2007, but only with respect to plan years beginning after 2007 which end with or within any such taxable year'' before the period at the end.

(C) Section 212(e)(2) of the 2006 Act is amended by striking ''section 305(b)(3) of the Employee Retirement Income Security Act of 1974'' and inserting ''section 432(b)(3) of the Internal Revenue Code of 1986''.

SEC. 4. AMENDMENTS RELATED TO TITLE III.

(a) AMENDMENT RELATED TO SECTION 301.—Clause (ii) of section 101(c)(2)(A) of the Pension Funding Equity Act of 2004, as amended by section 301(c) of the 2006 Act, is amended by striking ''2008'' and inserting ''2009''.

(b) AMENDMENTS RELATED TO SECTION 302.—

(1) AMENDMENT TO ERISA.—Section 205(g)(3)(B)(iii)(II) of ERISA is amended by striking ''section 205(g)(3)(B)(iii)(II)'' and inserting ''section 205(g)(3)(A)(ii)(II)''.

(2) AMENDMENTS TO 1986 CODE.—

(A) Section 417(e)(3)(D)(i) of the 1986 Code is amended by striking ''clause (ii)'' and inserting ''subparagraph (C)''.

(B) Section 415(b)(2)(E)(v) of the 1986 Code is amended to read as follows:

''(v) For purposes of adjusting any benefit or limitation under subparagraph (B), (C), or (D), the mortality table used shall be the applicable mortality table (within the meaning of section 417(e)(3)(B)).''.

SEC. 5. AMENDMENTS RELATED TO TITLE IV.

(a) AMENDMENT RELATED TO SECTION 401.—Section 4006(a)(3)(A)(i) of ERISA is amended by striking ''1990'' and inserting ''2005''.

(b) AMENDMENT RELATED TO SECTION 402.—Section 402(c)(1)(A) of the 2006 Act is amended by striking ''commercial airline'' and inserting ''commercial''.

(c) AMENDMENT RELATED TO SECTION 408.—Section 4044(e) of ERISA, as added by section 408(b)(2) of the 2006 Act, is redesignated as subsection (f).

(d) AMENDMENTS RELATED TO SECTION 409.—Section 4041(b)(5)(A) of ERISA is amended by striking ''subparagraph (B)'' and inserting ''subparagraphs (B) and (D)''.

(e) AMENDMENTS RELATED TO SECTION 410.—Section 4050(d)(4)(A) of ERISA is amended—

(1) by striking ''and'' at the end of clause (i), and

(2) by striking clause (ii) and inserting the following new clauses:

''(ii) which is not a plan described in paragraph (2), (3), (4), (6), (7), (8), (9), (10), or (11) of section 4021(b), and

''(iii) which, was a plan described in section 401(a) of the Internal Revenue Code of 1986 which includes a trust exempt from tax under section 501(a) of such Code, and''.

SEC. 6. AMENDMENTS RELATED TO TITLE V.

(a) AMENDMENT RELATED TO SECTION 501.—Section 101(f)(2)(B)(ii) of ERISA is amended—

(1) by striking ''for which the latest annual report filed under section 104(a) was filed'' in subclause (I)(aa) and inserting ''to which the notice relates'', and

(2) by striking subclause (II) and inserting the following new subclause:

''(II) in the case of a multiemployer plan, a statement, for the plan year to which the notice relates and the preceding 2 plan years, of the value of the plan assets (determined both in the same manner as under section 304 and under the rules of subclause (I)(bb)) and the value of the plan liabilities (determined in the same manner as under section 304 except that the method specified in section 305(i)(8) shall be used),''.

(b) AMENDMENTS RELATED TO SECTION 502.—

(1) Section 101(k)(2) of ERISA is amended by filing at the end the following new flush sentence:

''Subparagraph (C)(i) shall not apply to individually identifiable information with respect to any plan investment manager or adviser, or with respect to any other person (other than an employee of the plan) preparing a financial report required to be included under paragraph (1)(B).''.

(2) Section 4221 of ERISA is amended by striking subsection (e) and by redesignating subsections (f) and (g) as subsections (e) and (f), respectively.

(c) AMENDMENTS RELATED TO SECTION 503.—

(1) AMENDMENTS TO ERISA.—

(A) Section 104(b)(3) of ERISA is amended by—

(i) striking ''section 103(f)'' and inserting ''section 101(f)'', and

(ii) striking ''the administrators'' and inserting ''the administrator''.

(B) Section 104(d)(1)(E)(ii) of ERISA is amended by inserting ''funding'' after ''plan's''.

(2) AMENDMENTS TO 2006 ACT.—Section 503(e) of the 2006 Act is amended by striking ''section 101(f)'' and inserting ''section 104(d)''.

(d) AMENDMENT RELATED TO SECTION 505.—Section 4010(d)(2)(B) of ERISA is amended by striking ''section 302(d)(2)'' and inserting ''section 303(d)(2)''.

(e) AMENDMENTS RELATED TO SECTION 506.—

(1) Section 4041(c)(2)(D)(i) of ERISA is amended by striking ''subsection (a)(2)'' the second place it appears and inserting ''subparagraph (A) or the regulations under subsection (a)(2)''.

(2) Section 4042(c)(3)(C)(i) of ERISA is amended—

(A) by striking ''and plan sponsor'' and inserting '', the plan sponsor, or the corporation'', and

(B) by striking ''subparagraph (A)(i)'' and inserting ''subparagraph (A)''.

(f) AMENDMENTS RELATED TO SECTION 508.—Section 209(a) of ERISA is amended—

(1) in paragraph (1)—

(A) by striking ''regulations prescribed by the Secretary'' and inserting ''such regulations as the Secretary may prescribe'', and

(B) by striking the last sentence and inserting ''The report required under this paragraph shall be in the same form, and contain the same information, as periodic benefit statements under section 105(a).'', and

(2) by striking paragraph (2) and inserting the following:

''(2) If more than one employer adopts a plan, each such employer shall furnish to the plan administrator the information necessary for the administrator to maintain the records, and make the reports, required by paragraph (1). Such administrator shall maintain the records, and make the reports, required by paragraph (1).''

(g) AMENDMENT RELATED TO SECTION 509.—Section 101(i)(8)(B) of ERISA is amended to read as follows:

''(B) ONE-PARTICIPANT RETIREMENT PLAN.—For purposes of subparagraph (A), the term 'one-participant retirement plan' means a retirement plan that on the first day of the plan year—

''(i) covered only one individual (or the individual and the individual's spouse) and the individual (or the individual and the individual's spouse) owned 100 percent of the plan sponsor (whether or not incorporated), or

''(ii) covered only one or more partners (or partners and their spouses) in the plan sponsor.''.

SEC. 7. AMENDMENTS RELATED TO TITLE VI.

(a) AMENDMENTS RELATED TO SECTION 601.—

(1) AMENDMENTS TO ERISA.—

(A) Section 408(g)(3)(D)(ii) of ERISA is amended by striking ''subsection (b)(14)(B)(ii)'' and inserting ''subsection (b)(14)(A)(ii)''.

(B) Section 408(g)(6)(A)(i) of ERISA is amended by striking ''financial adviser'' and inserting ''fiduciary adviser''.

(C) Section 408(g)(11)(A) of ERISA is amended—

(i) by striking ''the participant'' each place it appears and inserting ''a participant'', and

(ii) by striking ''section 408(b)(4)'' in clause (ii) and inserting ''subsection (b)(4)''.

(2) AMENDMENTS TO 1986 CODE.—

(A) Section 4975(d)(17) of the 1986 Code, in the matter preceding subparagraph (A), is amended by striking ''and that permits'' and inserting ''that permits''.

(B) Section 4975(f)(8) of the 1986 Code is amended—

(i) in subparagraph (A), by striking ''subsection (b)(14)'' and inserting ''subsection (d)(17)'',

(ii) in subparagraph (C)(iv)(II), by striking ''subsection (b)(14)(B)(ii)'' and inserting ''(d)(17)(A)(ii)'',

(iii) in subparagraph (F)(i)(I), by striking ''financial adviser'' and inserting ''fiduciary adviser,'',

(iv) in subparagraph (I), by striking ''section 406'' and inserting ''subsection (c)'', and

(v) in subparagraph (J)(i)—

(I) by striking ''the participant'' each place it appears and inserting ''a participant'',

(II) in the matter preceding subclause (I), by inserting ''referred to in subsection (e)(3)(B)'' after ''investment advice'', and

(III) in subclause (II), by striking ''section 408(b)(4)'' and inserting ''subsection (d)(4)''.

(3) AMENDMENT TO 2006 ACT.—Section 601(b)(4) of the 2006 Act is amended by striking ''section 4975(c)(3)(B)'' and inserting ''section 4975(e)(3)(B)''.

(b) AMENDMENTS RELATED TO SECTION 611.—

(1) AMENDMENT TO ERISA.—Section 408(b)(18)(C) of ERISA is amended by striking ''or less''.

(2) AMENDMENTS TO 1986 CODE.—Section 4975(d) of the 1986 Code is amended—

(A) in the matter preceding subparagraph (A) of paragraph (18)—

(i) by striking ''party in interest'' and inserting ''disqualified person'', and

(ii) by striking ''subsection (e)(3)(B)'' and inserting ''subsection (e)(3)'',

(B) in paragraphs (19), (20), and (21), by striking ''party in interest'' each place it appears and inserting ''disqualified person'', and

(C) by striking ''or less'' in paragraph (21)(C).

(c) AMENDMENTS RELATED TO SECTION 612.—Section 4975(f)(11)(B)(i) of the 1986 Code is amended by—

(1) inserting ''of the Employee Retirement Income Security Act of 1974'' after ''section 407(d)(1)'', and

(2) inserting ''of such Act'' after ''section 407(d)(2)''.

(d) AMENDMENTS RELATED TO SECTION 621.—Section 404(c)(1) of ERISA is amended—

(1) by inserting ''(or any period that would be a blackout period but for the fact that it is a period of 3 consecutive business days or less)'' after ''blackout period'' in subparagraph (A)(ii), and

(2) by inserting the following new sentence at the end of subparagraph (B): ''In the case of any period that would be a blackout period but for the fact that it is a period of 3 consecutive business days or less, the preceding sentence shall apply to such period if the person referred to in subparagraph (A)(ii) meets the requirements described in the preceding sentence with respect to such period

in the same manner as if it were a blackout period.''

(e) AMENDMENTS RELATED TO SECTION 624.—Section 404(c)(5) of ERISA is amended by striking ''participant'' each place it appears and inserting ''participant or beneficiary''.

SEC. 8. AMENDMENTS RELATED TO TITLE VII.

(1) AMENDMENTS TO ERISA.—

(A) Section 203(f)(1)(B) of ERISA is amended to read as follows:

''(B) the requirements of section 204(c) or 205(g), or the requirements of subsection (e), with respect to accrued benefits derived from employer contributions,''.

(B) Section 204(b)(5) of ERISA is amended—

(i) by striking ''clause'' in subparagraph (A)(iii) and inserting ''subparagraph'', and

(ii) by inserting ''otherwise'' before ''allowable'' in subparagraph (C).

(C) Subclause (II) of section 204(b)(5)(B)(i) of ERISA is amended to read as follows:

''(II) PRESERVATION OF CAPITAL.—An applicable defined benefit plan shall be treated as failing to meet the requirements of paragraph (1)(H) unless the plan provides that an interest credit (or equivalent amount) of less than zero shall in no event result in the account balance or similar amount being less than the aggregate amount of contributions credited to the account.''.

(2) AMENDMENTS TO 1986 CODE.—

(A) Section 411(b)(5) of the 1986 Code is amended—

(i) by striking ''clause'' in subparagraph (A)(iii) and inserting ''subparagraph'', and

(ii) by inserting ''otherwise'' before ''allowable'' in subparagraph (C).

(B) Section 411(a)(13)(A) of the 1986 Code is amended—

(i) by striking ''paragraph (2)'' in clause (i) and inserting ''subparagraph (B)'',

(ii) by striking clause (ii) and inserting the following new clause:

''(ii) the requirements of subsection (a)(11) or (c), or the requirements of section 417(e), with respect to accrued benefits derived from employer contributions,'', and

(iii) by striking ''paragraph (3)'' in the matter following clause (ii) and inserting ''subparagraph (C)''.

(C) Subclause (II) of section 411(b)(5)(B)(i) of the 1986 Code is amended to read as follows:

''(II) PRESERVATION OF CAPITAL.—An applicable defined benefit plan shall be treated as failing to meet the requirements of paragraph (1)(H) unless the plan provides that an interest credit (or equivalent amount) of less than zero shall in no event result in the account balance or similar amount being less than the aggregate amount of contributions credited to the account.''.

(3) AMENDMENTS TO 2006 ACT.—

(A) Section 701(d)(2) of the 2006 Act is amended by striking ''204(g)'' and inserting ''205(g)''.

(B) Section 701(e) of the 2006 Act is amended—

(i) by inserting ''on or'' after ''period'' in paragraph (3),

(ii) in paragraph (4)—

(I) by inserting ''the earlier of'' after ''before'' in the matter preceding subparagraph (A), and

(II) by striking ''earlier'' and inserting ''later'' in subparagraph (A),

(iii) by inserting ''on or'' before ''after'' each place it appears in paragraph (5), and

(iv) by adding at the end the following new paragraph:

''(6) SPECIAL RULE FOR VESTING REQUIREMENTS.—The requirements of section 203(f)(2) of the Employee Retirement Income Security Act of 1974 and section 411(a)(13)(B) of the Internal Revenue Code of 1986 (as added by this Act)—

''(A) shall not apply to a participant who does not have an hour of service after the effective date of such requirements (as otherwise determined under this subsection); and

''(B) in the case of a plan other than a plan described in paragraph (3) or (4), shall apply to plan years ending on or after June 29, 2005.''.

SEC. 9. AMENDMENTS RELATED TO TITLE VIII.

(a) AMENDMENTS RELATED TO SECTION 801.—

(1) Section 404(o) of the 1986 Code is amended—

(A) by striking ''430(g)(2)'' in paragraph (2)(A)(ii) and inserting ''430(g)(3)'', and

(B) by striking ''412(f)(4)'' in paragraph (4)(B) and inserting ''412(d)(3)''.

(2) Section 404(a)(7)(A) of the 1986 Code is amended—

(A) by striking the next to last sentence, and

(B) by striking ''the plan's funding shortfall determined under section 430'' in the last sentence and inserting ''the excess (if any) of the plan's funding target (as defined in section 430(d)(1)) over the value of the plan's assets (as determined under section 430(g)(3))''.

(b) AMENDMENT RELATED TO SECTION 803.—Clause (iii) of section 404(a)(7)(C) of the 1986 Code is amended to read as follows:

''(iii) LIMITATION.—In the case of employer contributions to 1 or more defined contribution plans—

''(I) if such contributions do not exceed 6 percent of the compensation otherwise paid or accrued during the taxable year to the beneficiaries under such plans, this paragraph shall not apply to such contributions or to employer contributions to the defined benefit plans to which this paragraph would otherwise apply by reason of contributions to the defined contribution plans, and

''(II) if such contributions exceed 6 percent of such compensation, this paragraph shall be applied by only taking into account such contributions to the extent of such excess.

For purposes of this clause, amounts carried over from preceding taxable years under subparagraph (B) shall be treated as employer contributions to 1 or more defined contributions plans to the extent attributable to employer contributions to such plans in such preceding taxable years.''.

(c) AMENDMENTS RELATED TO SECTION 824.—

(1) Section 408A(c)(3)(B) of the 1986 Code, as in effect after the amendments made by section 824(b)(1) of the 2006 Act, is amended—

(A) by striking the second ''an'' before ''eligible'',

(B) by striking ''other than a Roth IRA'', and

(C) by adding at the end the following new flush sentence:

''This subparagraph shall not apply to a qualified rollover contribution from a Roth IRA or to a qualified rollover contribution from a designated Roth account which is a rollover contribution described in section 402A(c)(3)(A).''

(2) Section 408A(d)(3)(B), as in effect after the amendments made by section 824(b)(2)(B) of the 2006 Act, is amended by striking ''(other than a Roth IRA)'' and by inserting at the end the following new sentence: ''This paragraph shall not apply to a distribution which is a qualified rollover contribution from a Roth IRA or a qualified rollover contribution from a designated Roth account which is a rollover contribution described in section 402A(c)(3)(A)''.

(d) AMENDMENT TO SECTION 827.—The first sentence of section 72(t)(2)(G)(iv) of the 1986 Code is amended by inserting ''on or'' before ''before''.

(e) AMENDMENTS RELATED TO SECTION 829.—

(1) Section 402(c)(11) of the 1986 Code is amended—

(A) by inserting ''described in paragraph (8)(B)(iii)'' after ''eligible retirement plan'' in subparagraph (A), and

(B) by striking ''trust'' before ''designated beneficiary'' in subparagraph (B).

(2)(A) Section 402(f)(2)(A) of the 1986 Code is amended by adding at the end the following new sentence: ''Such term shall include any distribution which is treated as an eligible rollover distribution by reason of section 403(a)(4)(B), 403(b)(8)(B), or 457(e)(16)(B).''

(B) Clause (i) of section 402(c)(11) of the 1986 Code is amended by striking ''for purposes of this subsection''.

(C) The amendments made by this paragraph shall apply with respect to plan years beginning after December 31, 2008.

(f) AMENDMENT RELATED TO SECTION 832.—Section 415(f) of the 1986 Code is amended by striking paragraph (2) and by redesignating paragraph (3) as paragraph (2).

(g) AMENDMENTS RELATED TO SECTION 833.—

(1) Section 408A(c)(3)(C) of the 1986 Code, as added by section 833(c) of the 2006 Act, is redesignated as subparagraph (E).

(2) In the case of taxable years beginning after December 31, 2009, section 408A(c)(3)(E) of the 1986 Code (as redesignated by paragraph (1))—

(A) is redesignated as subparagraph (D), and

(B) is amended by striking ''subparagraph (C)(ii)'' and inserting ''subparagraph (B)(ii)''.

(h) AMENDMENTS RELATED TO SECTION 841.—

(1) Section 420(c)(1)(A) of the 1986 Code is amended by adding at the end the following new sentence: ''In the case of a qualified future transfer or collectively bargained transfer to which subsection (f) applies, any assets so transferred may also be used to pay liabilities described in subsection (f)(2)(C).''

(2) Section 420(f)(2) of the 1986 Code is amended by striking ''such'' before ''the applicable'' in subparagraph (D)(i)(I).

(3) Section 4980(c)(2)(B) of the 1986 Code is amended by striking ''or'' at the end of clause (i), by striking the period at the end of clause (ii) and inserting '', or'', and by adding at the end the following new clause:

''(iii) any transfer described in section 420(f)(2)(B)(ii)(II).''.

(i) AMENDMENTS RELATED TO SECTION 845.—

(1) Subsection (l) of section 402 of the 1986 Code is amended—

(A) in paragraph (1)—

(i) by inserting ''maintained by the employer described in paragraph (4)(B)'' after ''an eligible retirement plan'', and

(ii) by striking ''of the employee, his spouse, or dependents (as defined in section 152)'' ,

(B) in paragraph (4)(D), by—

(i) inserting ''(as defined in section 152)'' after ''dependents'', and

(ii) striking ''health insurance plan'' and inserting ''health plan'', and

(C) in paragraph (5)(A), by striking ''health insurance plan'' and inserting ''health plan''.

(2) Subparagraph (B) of section 402(l)(3) of the 1986 Code is amended by striking ''all amounts distributed from all eligible retirement plans were treated as 1 contract for purposes of determining the inclusion of such distribution under section 72'' and inserting ''all amounts to the credit of the eligible public safety officer in all eligible retirement plans maintained by the employer described in paragraph (4)(B) were distributed during such taxable year and all such plans were treated as 1 contract for purposes of determining under section 72 the aggregate amount which would have been so includible''.

(j) AMENDMENTS RELATED TO SECTION 854.—

(1) Section 3121(b)(5)(E) of the 1986 Code is amended by striking ''or special trial judge''.

(2) Section 210(a)(5)(E) of the Social Security Act is amended by striking ''or special trial judge''.

(k) AMENDMENTS RELATED TO SECTION 856.—Section 856 of the 2006 Act, and the

amendments made by such section, are hereby repealed, and the Internal Revenue Code of 1986 shall be applied and administered as if such sections and amendments had not been enacted.

(l) AMENDMENT RELATED TO SECTION 864.—Section 864(a) of the 2006 Act is amended by striking ''Reconciliation''.

SEC. 10. AMENDMENTS RELATED TO TITLE IX.

(a) AMENDMENT RELATED TO SECTION 901.—Section 401(a)(35)(E)(iv) of the 1986 Code is amended to read as follows:

''(iv) ONE-PARTICIPANT RETIREMENT PLAN.—For purposes of clause (iii), the term 'one-participant retirement plan' means a retirement plan that on the first day of the plan year—

''(I) covered only one individual (or the individual and the individual's spouse) and the individual (or the individual and the individual's spouse) owned 100 percent of the plan sponsor (whether or not incorporated), or

''(II) covered only one or more partners (or partners and their spouses) in the plan sponsor.''.

(b) AMENDMENTS RELATED TO SECTION 902.—

(1) Section 401(k)(13)(D)(i)(I) of the 1986 Code is amended by striking ''such compensation as exceeds 1 percent but does not'' and inserting ''such contributions as exceed 1 percent but do not''.

(2) Sections 401(k)(8)(E) and 411(a)(3)(G) of the 1986 Code are each amended—

(A) by striking ''an erroneous automatic contribution'' and inserting ''a permissible withdrawal'', and

(B) by striking ''ERRONEOUS AUTOMATIC CONTRIBUTION'' in the heading and inserting ''PERMISSIBLE WITHDRAWAL''.

(3) Section 402(g)(2)(A)(ii) of the 1986 Code is amended by inserting ''through the end of such taxable year'' after ''such amount''.

(4) Section 414(w)(3) of the 1986 Code is amended—

(A) in subparagraph (B), by inserting ''and'' after the comma at the end,

(B) by striking subparagraph (C), and

(C) by redesignating subparagraph (D) as subparagraph (C).

(5) Section 414(w)(5) of the 1986 Code is amended by striking ''and'' at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting a comma, and by adding at the end the following:

''(D) a simplified employee pension the terms of which provide for a salary reduction arrangement described in section 408(k)(6), and

''(E) a simple retirement account (as defined in section 408(p)).''.

(6) Section 414(w)(6) of the 1986 Code is amended by inserting ''or for purposes of applying the limitation under section 402(g)(1)'' before the period at the end.

(c) AMENDMENTS RELATED TO SECTION 903.—

(1) AMENDMENT OF 1986 CODE.—Section 414(x)(1) of the 1986 Code is amended by adding at the end of paragraph (1) the following new sentence: ''In the case of a termination of the defined benefit plan and the applicable defined contribution plan forming part of an eligible combined plan, the plan administrator shall terminate each such plan separately.''

(2) AMENDMENTS OF ERISA.—Section 210(e) of ERISA is amended—

(A) by adding at the end of paragraph (1) the following new sentence: ''In the case of a termination of the defined benefit plan and the applicable defined contribution plan forming part of an eligible combined plan, the plan administrator shall terminate each such plan separately.'', and

(B) by striking paragraph (3) and by redesignating paragraphs (4), (5), and (6) as paragraphs (3), (4), and (5), respectively.

(d) AMENDMENTS RELATED TO SECTION 906.—

(1) Section 906(b)(1)(B)(ii) of the 2006 Act is amended by striking ''paragraph (1)'' and inserting ''paragraph (10)''.

(2) Section 4021(b) of ERISA is amended by inserting ''or'' at the end of paragraph (12), by striking ''; or'' at the end of paragraph (13) and inserting a period, and by striking paragraph (14).

SEC. 11. AMENDMENTS RELATED TO TITLE X.

(a) AMENDMENTS TO RAILROAD RETIREMENT ACT.—

(1) Section 14(b) of the Railroad Retirement Act of 1974 (45 U.S.C. 231m(b)) is amended by adding at the end the following:

''(3)(i) Payments made pursuant to paragraph (2) of this subsection shall not require that the employee be entitled to an annuity under section 2(a)(1) of this Act: Provided, however, That where an employee is not entitled to such an annuity, payments made pursuant to paragraph (2) may not begin before the month in which the following three conditions are satisfied:

''(A) The employee has completed ten years of service in the railroad industry or, five years of service all of which accrues after December 31, 1995.

''(B) The spouse or former spouse attains age 62.

''(C) The employee attains age 62 (or if deceased, would have attained age 62).

''(ii) Payments made pursuant to paragraph (2) of this subsection shall terminate upon the death of the spouse or former spouse, unless the court document provides for termination at an earlier date. Notwithstanding the language in a court order, that portion of payments made pursuant to paragraph (2) which represents payments computed pursuant to section 3(f)(2) of this Act shall not be paid after the death of the employee.

''(iii) If the employee is not entitled to an annuity under section 2(a)(1) of this Act, payments made pursuant to paragraph (2) of this subsection shall be computed as though the employee were entitled to an annuity.''.

(2) Subsection (d) of section 5 of the Railroad Retirement Act (45 U.S.C. 231d) is repealed.

(b) EFFECTIVE DATES.—

(1) SUBSECTION (a)(1).—The amendment made by subsection (a)(1) shall apply with respect to payments due for months after August 2007. If, prior to the effective date of such amendment, payment pursuant to paragraph (2) of section 14(b) of the Railroad Retirement Act of 1974 (45 U.S.C. 231m(b)) was terminated because of the employee's death, payment to the former spouse may be reinstated for months after August 2007.

(2) SUBSECTION (a)(2).—The amendment made by subsection (a)(2) shall take effect upon the date of the enactment of this Act.

SEC. 12. AMENDMENTS RELATED TO TITLE XI.

(a) AMENDMENT RELATED TO SECTION 1104.—Section 1104(d)(1) of the 2006 Act is amended by striking ''Act'' the first place it appears and inserting ''section''.

(b) AMENDMENTS RELATED TO SECTION 1105.—Section 3304(a) of the 1986 Code is amended—

(1) in paragraph (15)—

(A) by redesignating clauses (i) and (ii) of subparagraph (A) as subclauses (I) and (II),

(B) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii),

(C) by striking the semicolon at the end of clause (ii) (as so redesignated) and inserting '', and'',

(D) by striking ''(15)'' and inserting ''(15)(A) subject to subparagraph (B),'', and

(E) by adding at the end the following:

''(B) the amount of compensation shall not be reduced on account of any payments of governmental or other pensions, retirement or retired pay, annuity, or other similar payments which are not includible in the gross income of the individual for the taxable year in which it was paid because it was part of a rollover distribution;'', and

(2) by striking the last sentence.

(c) AMENDMENTS RELATED TO SECTION 1106.—Section 3(37)(G) of ERISA is amended by—

(1) striking ''paragraph'' each place it appears in clauses (ii), (iii), and (v)(I) and inserting ''subparagraph'',

(2) striking ''subclause (i)(II)'' in clause (iii) and inserting ''clause (i)(II)'',

(3) striking ''subparagraph'' in clause (v)(II) and inserting ''clause'', and

(4) by striking ''section 101(b)(4)'' in clause (v)(III) and inserting ''section 101(b)(1)''.

SEC. 13. AMENDMENT RELATED TO TITLE XII.

Section 408(d)(8)(D) of the 1986 Code is amended by striking ''all amounts distributed from all individual retirement plans were treated as 1 contract under paragraph (2)(A) for purposes of determining the inclusion of such distribution under section 72'' and inserting ''all amounts in all individual retirement plans of the individual were distributed during such taxable year and all such plans were treated as 1 contract for purposes of determining under section 72 the aggregate amount which would have been so includible''.

SEC. 14. OTHER PROVISIONS.

(a) AMENDMENTS RELATED TO SECTIONS 102 AND 112.—

(1) AMENDMENT OF ERISA.—The last sentence of section 303(g)(3)(B) of ERISA is amended to read as follows: ''Any such averaging shall be adjusted for contributions, distributions, and expected earnings (as determined by the plan's actuary on the basis of an assumed earnings rate specified by the actuary but not in excess of the third segment rate applicable under subsection (h)(2)(C)(iii)), as specified by the Secretary of the Treasury.''.

(2) AMENDMENT OF 1986 CODE.—The last sentence of section 430(g)(3)(B) of the 1986 Code is amended to read as follows: ''Any such averaging shall be adjusted for contributions, distributions, and expected earnings (as determined by the plan's actuary on the basis of an assumed earnings rate specified by the actuary but not in excess of the third segment rate applicable under subsection (h)(2)(C)(iii)), as specified by the Secretary.''.

(b) AMENDMENTS RELATED TO SECTION 1004.—

(1) AMENDMENT OF ERISA.—Paragraph (2) of section 205(d) of ERISA is amended by adding at the end the following:

''(C) Notwithstanding subparagraph (B), the applicable percentage is any percentage greater than or equal to 66⅔ percent but not more than 75 percent if—

''(i) the plan is a defined contribution plan maintained for its employees by an employer which is either exempt from tax under section 501(a) of the Internal Revenue Code of 1986 or aggregated under subsection (b), (c), (m), or (o) of section 414 of such Code with an organization that is exempt from tax under section 501(a) of such Code,

''(ii) the survivor annuity percentage for the plan's qualified joint and survivor annuity is 50 percent, and

''(iii) each participant may elect (subject to the requirements of subsection (a)) an annuity for the life of the participant with a survivor annuity for the life of the spouse which is equal to 100 percent of the amount of the annuity which is payable during the joint lives of the participant and spouse and which is the actuarial equivalent of a single annuity for the life of the participant.''.

(2) AMENDMENT OF 1986 CODE.—Subsection (g) of section 417 of the 1986 Code is amended by adding at the end the following:

''(3) ALTERNATIVE METHOD OF COMPLIANCE.—Notwithstanding paragraph (2), the applicable percentage is any percentage greater than or equal to 66⅔ percent but not more than 75 percent if—

''(A) the plan is a defined contribution plan maintained for its employees by an employer which is either exempt from tax under section 501(a) or aggregated under subsection (b), (c), (m), or (o) of section 414 with an organization that is exempt from tax under section 501(a),

''(B) the survivor annuity percentage for the plan's qualified joint and survivor annuity is 50 percent, and

''(C) each participant may elect (subject to the requirements of subsection (a)) an annuity for the life of the participant with a survivor annuity for the life of the spouse which is equal to 100 percent of the amount of the annuity which is payable during the joint lives of the participant and spouse and which is the actuarial equivalent of a single annuity for the life of the participant.''.

SEC. 15. EFFECTIVE DATE.

Except as otherwise provided in this Act, the amendments made by this Act shall take effect as if included in the provisions of the 2006 Act to which the amendments relate.

MEASURES DISCHARGED

Mr. REID. Mr. President, I ask unanimous consent that the Homeland Security and Governmental Affairs Committee be discharged en bloc from consideration of the following and that the Senate then proceed en bloc to their consideration: S. 2478, H.R. 3470, H.R. 3569, H.R. 3974, and H.R. 4009.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent the bills be read a third time, passed, the motions to reconsider be laid upon the table en bloc; that the consideration of these items appear separately in the record with no intervening action or debate.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CAPTAIN JONATHAN D. GRASSBAUGH POST OFFICE

The bill (S. 2478) to designate the facility of the United States Postal Service located at 59 Colby Corner in East Hampstead, New Hampshire, as the ''Captain Jonathan D. Grassbaugh Post Office'', was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2478

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CAPTAIN JONATHAN D. GRASSBAUGH POST OFFICE BUILDING.

(a) DESIGNATION.—The facility of the United States Postal Service located at 59 Colby Corner in East Hampstead, New Hampshire, shall be known and designated as the ''Captain Jonathan D. Grassbaugh Post Office''.

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the facility referred to in subsection (a) shall be deemed to be a reference to the ''Captain Jonathan D. Grassbaugh Post Office''.

JOHN SIDNEY 'SID' FLOWERS POST OFFICE BUILDING

The bill (H.R. 3470) to designate the facility of the United States Postal Service located at 744 West Oglethorpe Highway in Hinesville, Georgia, as the ''John Sidney 'Sid' Flowers Post Office Building,'' was considered, ordered to a third reading, read the third time, and passed.

BEATRICE E. WATSON POST OFFICE BUILDING

The bill (H.R. 3569) to designate the facility of the United States Postal Service located at 16731 Santa Ana Avenue in Fontana, California, as the ''Beatrice E. Watson Post Office Building,'' was considered, ordered to a third reading, read the third time, and passed.

MARINE CORPS CORPORAL STEVEN P. GILL POST OFFICE BUILDING

The bill (H.R. 3974) to designate the facility of the United States Postal Service located at 797 Sam Bass Road in Round Rock, Texas, as the ''Marine Corps Corporal Steven P. Gill Post Office Building,'' was considered, ordered to a third reading, read the third time, and passed.

TURRILL POST OFFICE BUILDING

A bill (H.R. 4009) to designate the facility of the United States Postal Service located at 567 West Nepessing Street in Lapeer, Michigan, as the ''Turrill Post Office Building,'' was considered, ordered to a third reading, read the third time, and passed.

GEORGE HOWARD, JR. FEDERAL BUILDING AND UNITED STATES COURTHOUSE

NEAL SMITH FEDERAL BUILDING

Mr. REID. Mr. President, I ask unanimous consent the Environment and Public Works Committee be discharged en bloc from consideration of the following and the Senate then proceed en bloc to their consideration: H.R. 2011 and H.R. 1045.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

There being no objection, the Senate proceeded to consider the bills.

Mr. REID. I ask unanimous consent the bills be read a third time, passed, the motions to reconsider be laid on the table en bloc, and that the consideration of these items appear separately in the RECORD with no intervening action or debate.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The bills (H.R. 2011 and H.R. 1045) were ordered to be read a third time, were read the third time and passed, en bloc.

TO AMEND THE CONGRESSIONAL ACCOUNTABILITY ACT OF 1995

Mr. REID. Mr. President, I ask unanimous consent the Senate proceed to H.R. 3571.

The ACTING PRESIDENT pro tempore. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 3571) to amend the Congressional Accountability Act of 1995 to permit individuals who have served as employees of the Office of Compliance to serve as Executive Director, Deputy Executive Director, or General Counsel of the Office, and to permit individuals appointed to such positions to serve one additional term.

There being no objection, the Senate proceeded to consider the bill.

Mr. REID. I ask unanimous consent the bill be read three times, passed, the motion to reconsider be laid on the table with no intervening action or debate, and any statements be printed in the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The bill (H.R. 3571) was ordered to be read a third time, was read the third time and passed.

COMMISSION ON THE ABOLITION OF THE TRANSATLANTIC SLAVE TRADE

Mr. REID. Mr. President, I ask unanimous consent the Judiciary Committee be discharged from further consideration of H.R. 3432 and the Senate proceed to its immediate consideration.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 3432) to establish the Commission on the Abolition of the Transatlantic Slave Trade.

There being no objection, the Senate proceeded to consider the bill.

Mr. REID. I ask unanimous consent a Lautenberg amendment at the desk be agreed to, the bill, as amended, be read a third time, passed, the motion to reconsider be laid on the table with no intervening action or debate, and any statements be printed in the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment (No. 3892) was agreed to, as follows:

(Purpose: To strike the authorization of appropriations)

On page 15, strike lines 3 through 5.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 3432), as amended, was read the third time and passed.

COMMEMORATING THE 25TH ANNIVERSARY OF THE AIR FORCE SPACE COMMAND

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Armed Services be discharged from further consideration and the Senate proceed to S. Res 389.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 389) commemorating the 25th Anniversary of the United States Air Force Space Command headquartered at Peterson Air Force Base, Colorado.

There being no objection, the Senate proceeded to consider the resolution.

U.S. AIR FORCE SPACE COMMAND

Mr. ALLARD. Mr. President, this year marks the 25th anniversary of the U.S. Air Force Space Command. In 1982, the U.S. Air Force created the U.S. Air Force Space Command to defend North America through its space and intercontinental ballistic operations. Since its creation, Air Force Space Command has become a leader in defense capabilities. They provide a significant portion of U.S. Strategic Command's warfighting capabilities, including missile warning, strategic deterrence, and space-based surveillance capabilities. They now monitor space radars providing vital information on the location of satellites and space debris for the Nation and the world.

Today, nearly 25 years after the establishment of U.S. Air Force Space Command, space plays an even more important role in national security. The current war on terror requires extensive use of space-based communications, GPS and meteorological data to effectively prosecute military operations. The United States relies on space for warfighting capabilities, missile defense, and strategic deterrence. Air Force Space Command has been a leader in this area and remains a critical component of national security.

I would also like to recognize the men and women of Air Force Space Command. Their hard work and dedication provide vital support to our military and the security of this Nation. They have been instrumental in disaster relief and homeland defense. I thank them for their service to the Nation.

Mr. President, I am proud ask that the Senate unanimously pass this resolution today recognizing the contributions and achievements of Air Force Space Command over the past 25 years.

Mr. REID. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and the motions to reconsider be laid upon the table.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The resolution (S. Res. 389) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 389

Whereas, on September 1, 1982, the United States Air Force created the United States Air Force Space Command to defend North America through its space and intercontinental ballistic missile operations;

Whereas 2007 marks the 25th year of excellence and service of Air Force Space Command to the United States of America;

Whereas the mission of Air Force Space Command is to deliver trained and ready airmen with unrivaled space capabilities to defend the United States;

Whereas Air Force Space Command organizes, trains, and equips forces to supply combatant commanders with the space and intercontinental ballistic missile capabilities to defend the United States and its national interests;

Whereas Air Force Space Command's ground-based radar and Defense Support Program satellites monitor ballistic missile launches around the world to guard against a surprise missile attack on North America;

Whereas Air Force Space Command provides a significant portion of United States Strategic Command's war fighting capabilities, including missile warning, strategic deterrence, and space-based surveillance capabilities;

Whereas Air Force Space Command space radar provide vital information on the location of satellites and space debris for the Nation and the world;

Whereas the current war on terror requires extensive use of space-based communications, global positioning systems, and meteorological data to effectively prosecute military operations;

Whereas Air Force Space Command provides war fighters with ''high ground'' through satellite communications and positioning and timing data for ground and air operations and weapons delivery;

Whereas Air Force Space Command deployed helicopters to the Gulf Coast region during the aftermath of Hurricane Katrina to deliver meals, water, and medical supplies and to conduct search and rescue operations;

Whereas the work done by the men and women of Air Force Space Command is vital to our military, making the Nation more combat effective and helping save lives every day; and

Whereas Air Force Space Command advocates space capabilities and systems for all unified commands and military services, and collectively provides space capabilities America needs today and in the future: Now, therefore, be it

Resolved, That the Senate—

(1) recognizes the contributions made by Air Force Space Command to the security of the United States; and

(2) commemorates Air Force Space Command's 25 years of excellence and service to the Nation.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MAKING TECHNICAL CORRECTIONS TO THE INTERNAL REVENUE CODE

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 4839.

The ACTING PRESIDENT pro tempore. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 4839) to amend the Internal Revenue Code of 1986 to make technical corrections, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. BAUCUS. Mr. President, in connection with H.R. 4839, the Tax Technical Corrections Act of 2007, the nonpartisan Joint Committee on Taxation is making available to the public a document that contains a technical explanation of the bill. This technical explanation expresses the Senate Finance Committee's understanding of the tax and other provisions of the bill and serves as a useful reference in understanding the legislative intent behind this important legislation.

I ask unanimous consent to have this technical explanation printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

I. TAX TECHNICAL CORRECTIONS ACT OF 2007

The bill includes technical corrections to recently enacted tax legislation. Except as otherwise provided, the amendments made by the technical corrections contained in the bill take effect as if included in the original legislation to which each amendment relates.

Amendment Related to the Tax Relief and Health Care Act of 2006

Individuals with long-term unused credits under the alternative minimum tax (Act sec. 402 of Division A).—Under present law, an individual's minimum tax credit allowable for any taxable year beginning after December 20, 2006, and before January 1, 2013, is not less than the ''AMT refundable credit amount.'' The AMT refundable credit amount is the greater of (1) the lesser of $5,000 or the long-term unused minimum tax credit, or (2) 20 percent of the long-term unused minimum tax credit. The long-term unused minimum tax credit for any taxable year means the portion of the minimum tax credit attributable to the adjusted net minimum tax for taxable years before the 3rd taxable year immediately preceding the taxable year (assuming the credits are used on a first-in, first-out basis). In the case of an individual whose adjusted gross income for a taxable year exceeds the threshold amount (within the meaning of section 151(d)(3)(C)), the AMT refundable credit amount is reduced by the applicable percentage (within the meaning of section 151(d)(3)(B)). The additional credit allowable by reason of this provision is refundable.

The provision amends the definition of the AMT refundable credit amount. The provision provides that the AMT refundable credit amount (before any reduction by reason of adjusted gross income) is an amount (not in excess of the long-term unused minimum tax

credit) equal to the greater of (1) $5,000, (2) 20 percent of the long-term unused minimum tax credit, or (3) the AMT refundable credit amount (if any) for the prior taxable year (before any reduction by reason of adjusted gross income).

The provision may be illustrated by the following example: Assume an individual, whose adjusted gross income for all taxable years is less than the threshold amount, has a long-term unused minimum tax credit for 2007 of $100,000 and has no other minimum tax credits. The individual's AMT refundable credit amount under present law is $20,000 in 2007, $16,000 in 2008, $10,240 in 2009, $8,192 in 2010, $6,554 in 2011, and $5,243 in 2012. Under the provision, the individual's AMT refundable credit amount is $20,000 for 2007 (as under present law), and in each of the taxable years 2008 thru 2011 the AMT refundable credit amount is also $20,000. The minimum tax credit in 2012 is zero.

Amendments Related to Title XII of the Pension Protection Act of 2006 (Provisions Relating to Exempt Organizations)

Tax-free distributions from individual retirement plans for charitable purposes (Act sec. 1201).—Under the provision, when determining the portion of a distribution that would otherwise be includible in income, the otherwise includible amount is determined as if all amounts were distributed from all of the individual's IRAs.

Contributions of appreciated property by S corporations (Act sec. 1203).—Under present law (sec. 1366(d)), the amount of losses and deductions which a shareholder of an S corporation may take into account in any taxable year is limited to the shareholder's adjusted basis in his stock and indebtedness of the corporation. The provision provides that this basis limitation does not apply to a contribution of appreciated property to the extent the shareholder's pro rata share of the contribution exceeds the shareholder's pro rata share of the adjusted basis of the property. Thus, the basis limitation of section 1366(d) does not apply to the amount of deductible appreciation in the contributed property. The provision does not apply to contributions made in taxable years beginning after December 31, 2007.

For example, assume that in taxable year 2007, an S corporation with one shareholder makes a charitable contribution of a capital asset held more than one year with an adjusted basis of $200 and a fair market value of $500. Assume the shareholder's adjusted basis of the stock (as determined under section 1366(d)(1)(A)) is $300. For purposes of applying the limitation under section 1366(d) to the contribution, the limitation does not apply to the $300 of appreciation and since the $300 adjusted basis of the stock exceeds the $200 adjusted basis of the contributed property, the limitation does not apply at all to the contribution. Thus, the shareholder is treated as making a $500 charitable contribution. The shareholder reduces the basis of the S corporation stock by $200 to $100 (pursuant to section 1367(a)(2)).

Recapture of tax benefit for charitable contributions of exempt use property not used for an exempt use (Act sec. 1215).—The Act permits a charitable deduction in the amount of the fair market value (not the donor's basis) for tangible personal property if an officer of the donee organization certifies upon disposition of the donated property that the use of the property was related to the purpose or function constituting the basis of the donee's tax-exempt status. It was not intended that the donee's use, though so related, not also be substantial. The provision adds to the certification requirement that the officer certify that use of the property by the donee was substantial.

Contributions of fractional interests in tangible personal property (Act sec. 1218).—The Act added an income tax provision providing for treatment of contributions of fractional interests in tangible personal property. A special valuation rule is provided under this rule that creates unintended consequences under the estate and gift tax. The provision therefore strikes the special valuation rule for estate and gift tax purposes.

Time for assessment of penalty relating to substantial and gross valuation misstatements attributable to incorrect appraisals (Act section 1219).—Section 1219 of the Act added a penalty for substantial and gross valuation misstatements attributable to incorrect appraisals (Code sec. 6695A). First, the Act omitted to apply the penalty with respect to substantial valuation misstatements for estate and gift tax purposes, and the provision clarifies that the penalty applies for such purposes. Second, in the cross references for the penalty, the language of Code section 6696(d)(1), relating to the time period for assessment of the penalty, was not properly described. The provision adds a cross reference to section 6695A in section 6696(d).

Expansion of the base of tax on private foundation net investment income (Act sec. 1221).—The Act expands the base of the tax on net investment income of private foundations.

The provision clarifies that capital gains from appreciation are included in this tax base. This clarification conforms the statutory language to the technical explanation.

Public disclosure of information relating to unrelated business income tax returns (Act sec. 1225).—The Act added a provision requiring that section 501(c)(3) organizations make publicly available their unrelated business income tax returns. However, as drafted, the requirement that, with respect to a Form 990, an organization make publicly available only the last three years of returns (sec. 6104(d)(2)) does not apply to disclosure of Form 990–T, because Form 990–T is required by section 6011, not by section 6033. The provision clarifies that the 3-year limitation on making returns publicly available applies to Form 990–T. The provision clarifies that the IRS is required to make Form 990–T publicly available, subject to redaction procedures applicable to Form 990 under section 6104(b).

Donor advised funds (Act 1231).—The Act imposed excise taxes in the event of certain taxable distributions (Code sec. 4966) and on the provision of certain prohibited benefits (sec. 4967), but does not cross refer to these provisions in the section 4962 definition of qualified first tier taxes for purposes of tax abatement (though a cross reference to them is included in section 4963). The provision adds a cross reference to them in Code section 4962 (relating to abatement).

Excess benefit transactions involving supporting organizations (Act sec. 1242).—New Code section 4958(c)(3) provides that certain transactions involving supporting organizations are treated as excess benefit transactions for purposes of the intermediate sanctions rules. Under the Code, certain organizations described in Code sections 501(c)(4), (5) or (6) are treated as supported organizations, although they are not public charities or safety organizations. The provision provides that the excess benefit transaction rules of the Act generally do not apply to transactions between a supporting organization and its supported organization that is described in section 501(c)(4), (5), or (6).

Amendments Related to the Tax Increase Prevention and Reconciliation Act of 2005

Look-through treatment and regulatory authority (Act sec. 103(b)).—Under the Act, for taxable years beginning after 2005 and before 2009, dividends, interest (including factoring income which is treated as equivalent to interest under sec. 954(c)(1)(E)), rents, and royalties received by one controlled foreign corporation (''CFC'') from a related CFC are not treated as foreign personal holding company income to the extent attributable or properly allocable to non-subpart F income of the payor (the ''TIPRA look-through rule'').

The provision clarifies the treatment of deficits in earnings and profits. Under the provision, the TIPRA look-through rule does not apply to any interest, rent, or royalty to the extent that such interest, rent, or royalty creates (or increases) a deficit which under section 952(c) may reduce the subpart F income of the payor or another CFC. The provision parallels the rule applicable to interest, rents, or royalties that would otherwise qualify for exclusion from foreign personal holding company income under the ''same country'' exception (sec. 954(c)(3)(B)). Thus interest, rents, and royalties will be treated as subpart F income, notwithstanding the general TIPRA look-through rule, if the payment creates or increases a deficit of the payor corporation and that deficit is from an activity that could reduce the payor's subpart F income under the accumulated deficit rule (sec. 952(c)(1)(B)), or could reduce the income of a qualified chain member under the chain deficit rule (sec. 952(c)(1)(C)). For example, under the provision, items that do not qualify for the ''same country'' exception because they meet the terms of section 954(c)(3)(B) will also not qualify under the TIPRA look-through rule.

Modification of active business definition under section 355 (Act sec. 202).—The provision revises Code sections 355(b)(2)(A) and 355(b)(3) to reflect that the provision modifying the active business definition that was enacted by section 202 of the Act was made permanent by section 410 of the Tax Relief and Health Care Act of 2006. Conforming amendments are made as a result of this change.

The provision clarifies that if a corporation became a member of a separate affiliated group as a result of one or more transactions in which gain or loss was recognized in whole or in part, any trade or business conducted by such corporation (at the time that such corporation became such a member) is treated for purposes of section 355(b)(2) as acquired in a transaction in which gain or loss was recognized in whole or in part. Accordingly, such an acquisition is subject to the provisions of section 355(b)(2)(C), and may qualify as an expansion of an existing active trade or business conducted by the distributing corporation or the controlled corporation, as the case may be.

The provision clarifies that the Treasury Department shall prescribe regulations that provide for the proper application of sections 355(b)(2)(B), (C), and (D) in the case of any corporation that is tested for active business under the separate affiliated group rule, and that modify the application of section 355(a)(3)(B) in the case of such a corporation in a manner consistent with the purposes of the provision.

The provision further clarifies that the rule regarding the application of the new rules to determine the continued qualification under section 355 of a distribution that occurred before the effective date of the new rules, shall apply only if such application results in continued qualification and is not intended to require application of the new rules in a manner that would disqualify any distribution that satisfied the active business requirements of section 355 under prior law that was applicable to the distribution.

Computation of tax for individuals with income excluded under the foreign earned income exclusion (Act sec. 515).—The provision clarifies that in computing the tentative minimum tax on nonexcluded income, the computation of tax is made before reduction for the alternative minimum tax foreign tax credit. This conforms the computation of the tentative minimum tax to the computation of the regular tax, so that both computations are made before the application of the foreign tax credit.

The provision also corrects an error in present law in the case where a taxpayer has net capital gain in excess of taxable income. Under the provision, if a taxpayer's net capital gain (within the meaning of section 1(h)) exceeds taxable income, in computing the tax on the taxable income as increased by the excluded income, the amount of net capital gain which otherwise be taken into account is reduced by the amount of that excess. The excess first reduces the amount of net capital gain without regard to qualified dividend income, and then qualified dividend income. Also, in computing adjusted net capital gain, unrecaptured section 1250 gain, and 28-percent rate gain, the amount of the excess is treated in the same manner as an increase in the long-term capital loss carried to the taxable year.

Similar rules apply in computing the tentative minimum tax where a taxpayer's net capital gain exceeds the taxable excess.

The provision is effective for taxable years beginning after December 31, 2006.

The following examples illustrate the provision:

Example 1.—For taxable year 2007, an unmarried individual has $80,000 excluded from gross income under section 911(a), $30,000 gain from the sale of a capital asset held more than one year, and $20,000 deductions. The taxpayer's taxable income is $10,000. Under the provision, the regular tax is the excess of (i) the amount of tax computed under section 911(f)(1)(A)(i) on taxable income of $90,000 ($10,000 taxable income plus $80,000 excluded income), over (ii) the amount of tax computed under section 911(f)(1)(A)(ii) on taxable income of $80,000 (excluded income). In applying section 1(h) to determine the tax under section 911(f)(1)(A)(i), the net capital gain and the adjusted net capital gain are each $10,000. The regular tax is $1,500, which is equal to a tax at the rate of 15 percent on $10,000 of adjusted net capital gain.

Example 2.—For taxable year 2007, an unmarried individual has $90,000 excluded from gross income under section 911(a), $5,000 gain from the sale of a capital asset held more than one year, $25,000 unrecaptured section 1250 gain, and $20,000 deductions. The taxpayer's taxable income is $10,000. Under the provision, the regular tax is the excess of (i) the amount of tax computed under section 911(f)(1)(A)(i) on taxable income of $100,000 ($10,000 taxable income plus $90,000 excluded income), over (ii) the amount of tax computed under section 911(f)(1)(A)(ii) on taxable income of $90,000 (excluded income). In applying section 1(h) to determine the tax under section 911(f)(1)(A)(i), the net capital gain is $10,000. $5,000 is unrecaptured section 1250 gain ($25,000 less $20,000) and $5,000 is adjusted net capital gain. The regular tax is $2,000, which is equal to a tax at the rate of 15 percent on $5,000 of adjusted net capital gain and a tax at the rate of 25 percent on $5,000 of unrecaptured section 1250 gain.

Amendments Related to the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users

Timing of claims for excess alternative fuel (not in a mixture) credit (Act sec. 11113).—Present law provides that the alternative fuel (not in a mixture) credit is refundable. Code section 6427(i)(3) permits claims to be filed on a weekly basis with respect to alcohol, biodiesel, and alternative fuel mixtures if certain requirements are met. This rule, however, does not refer to the alternative fuel credit (for alternative fuel not in a mixture). The provision clarifies that the same rules for filing claims with respect to fuel mixtures apply to the alternative fuel credit.

Definition of alternative fuel (Act sec. 11113).—Code section 6426(d)(2) defines alternative fuel to include ''liquid hydrocarbons from biomass'' for purposes of the alternative fuel excise tax credit and payment provisions under sections 6426 and 6427. The statute does not define liquid hydrocarbons, which has led to questions as to whether it is permissible for such a fuel to contain other elements, such as oxygen, or whether the fuel must consist exclusively of hydrogen and carbon. It was intended that biomass fuels such as fish oil, which is not exclusively made of hydrogen and carbon, qualify for the credit. The provision changes the reference in section 6426 from ''liquid hydrocarbons'' to ''liquid fuel'' for purposes of the alternative fuel excise tax credit and payment provisions.

Amendments Related to the Energy Policy Act of 2005

Credit for production from advanced nuclear power facilities (Act sec. 1306).—The provision clarifies that the national capacity limitation of 6,000 megawatts represents the total number of megawatts that the Secretary has authority to allocate under section 45J.

Clarify limitation on the credit of installing alternative fuel refueling property (Act sec. 1342).—The present-law credit for qualified alternative fuel vehicle refueling property for a taxable year is limited to $30,000 per property subject to depreciation, and $1,000 for other property (sec. 30C(b)). The provision clarifies that the $30,000 and $1,000 limitations apply to all alternative fuel vehicle refueling property placed in service by the taxpayer at a location. The provision is consistent with similar deduction limitations imposed under section 179A(b)(2)(A) (relating to the deduction for clean-fuel vehicles and certain refueling property).

In addition, Code section 30C(c)(1) provides that qualified alternative fuel vehicle refueling property has the meaning given to the term by section 179A(d). However, section 179A(d) defines a different term. The provision modifies the language of section 30C(c)(1) to refer to the correct term.

Clarify that research eligible for the energy research credit is qualified research (Act sec. 1351).—The energy research credit is available with respect to certain amounts paid or incurred to an energy research consortium. The provision clarifies that the credit is available with respect to such amounts paid or incurred to an energy research consortium provided they are used for energy research that is qualified research.

Double taxation of rail and inland waterway fuel resulting from the use of dyed fuel on which the Leaking Underground Storage Tank Trust Fund tax has already been imposed; off-highway business use (Act sec. 1362).—Section 4081(a)(2)(B) of the Code imposes tax at the Leaking Underground Storage Tank Trust Fund financing tax rate of 0.1 cent per gallon on diesel fuel at the time it is removed from a terminal. Section 4082(a) provides that none of the generally applicable exemptions other than the exemption for export apply to this removal even if the fuel is dyed. When dyed fuel is used or sold for use in a diesel powered highway vehicle or train (sec. 4041), or such fuel is subject to the inland waterway tax (sec. 4042), the Code inadvertently imposes the Leaking Underground Storage Tank Trust Fund tax a second time. Section 6430 prohibits the refund of taxes imposed at the Leaking Underground Storage Tank Trust Fund financing rate, except in the case of fuel destined for export. The provision eliminates the imposition of the 0.1 cent tax a second time if the Leaking Underground Storage Tank Trust Fund financing tax rate previously was imposed under section 4081. The provision permits a refund in the amount of the Leaking Underground Storage Tank Trust Fund financing rate if such tax was imposed a second time under 4041 or 4042 from October 1, 2005 through the date of enactment. The provision also clarifies that off-highway business use is not exempt from the Leaking Underground Storage Tank Trust Fund Financing rate. For administrative reasons associated with collecting the tax, the off-highway business use clarification is effective for fuel sold for use or used after the date of enactment.

Exemption from the Leaking Underground Storage Tank Trust Fund financing rate for aircraft and vessels engaged in foreign trade (Act sec. 1362).—Fuel supplied in the United States for use in aircraft engaged in foreign trade is exempt from U.S. customs duties and internal revenue taxes, so long as, where the aircraft is registered in a foreign State, the State of registry provides substantially reciprocal privileges for U.S.-registered aircraft. However, the Energy Policy Act of 2005 imposed, without exemption, the Leaking Underground Storage Tank Trust Fund financing rate on all taxable fuels, except in the case of export. As a result, aviation fuel is no longer exempt from the Leaking Underground Storage Tank Trust Fund financing rate. According to the State Department, almost all of the United States' bilateral air services agreements contain provisions exempting from taxation all fuel supplied in the territory of one party for use in the aircraft of the other party. The United States has interpreted these provisions to prohibit the taxation, in any form, of aviation fuel supplied in the United States to the aircraft of airlines of the foreign countries that are parties to these air services agreements. The amendment provides that fuel for use in vessels (including civil aircraft) employed in foreign trade or trade between the United States and any of its possessions is exempt from the Leaking Underground Storage Tank Trust Fund financing rate.

Amendments Related to the American Jobs Creation Act of 2004

Interaction of rules relating to credit for low sulfur diesel fuel (Act sec. 339).—Section 45H of the Code allows a credit at the rate of 5 cents per gallon for low sulfur diesel fuel produced at certain small business refineries. The aggregate credit with respect to any refinery is limited to 25 percent of the costs of the type deductible under section 179B of the Code. Section 179B allows a deduction for 75 percent of certain costs paid or incurred with respect to these refineries. The basis of the property is reduced by the amount of any credit determined with respect to any expenditure (sec. 45H(d)). Further, no deduction is allowed for the expenses otherwise allowable as a deduction in an amount equal to the amount of the credit under section 45H (sec. 280C(d)). The interaction of these provisions is unclear, and the basis reduction and deduction denial rules may have an unintentionally duplicative effect. Under the provision, deductions are denied in an amount equal to the amount of the credit under section 45H, and the provisions of present law reducing basis and denying a deduction are repealed.

Eliminate the open-loop biomass segregation requirement in section 45(c)(3)(A)(ii) (Act sec. 710).—For purposes of the credit for electricity produced from certain renewable resources, section 45(c)(3)(A)(ii) defines open-loop biomass to include any solid, nonhazardous, cellulosic waste material or any lignin material that is segregated from other waste materials, and that meets other requirements. The Act added municipal solid waste to the category of qualified energy resources giving rise to the credit. Thus, both open-loop biomass and municipal solid waste can be treated as qualified energy resources. The provision therefore strikes the requirement that open-loop biomass be segregated from other waste materials in order to be treated as qualified energy resources.

Clarification of proportionate limitation applicable to closed-loop biomass (Act sec. 710).—Section 45(d)(2)(B)(ii) provides that when closed-loop biomass is co-fired with other fuels, the credit is limited to the otherwise allowable credit multiplied by the ratio of the thermal content of the closed-loop biomass to the thermal content of all fuel used. This limitation duplicates a similar limitation in section 45(a), which provides that the credit is equal to 1.5 cents multiplied by the kilowatt hours of electricity produced by the taxpayer from qualified energy resources (and meeting other criteria). The present-law section 45(a) rule has the effect of limiting the credit (or duration of the credit) to the appropriate portion of the fuel that constitutes qualified energy resources, in the situations in which qualified energy resources are permitted to be co-fired with each other, or are permitted to be co-fired with other fuels. The provision clarifies that the limitation applies only once, not twice, to closed-loop biomass co-fired with other fuels, by striking the duplicate limitation in section 45(d)(2)(B)(ii).

Treatment of partnerships under the limitation on deductions allocable to property used by governments or other tax-exempt entities (Act sec. 848).—Code section 470 generally applies loss deferral rules in the case of property leased to tax-exempt entities. This rule applies with respect to tax-exempt use property, which for this purpose generally has the meaning given to the term by section 168(h) (with exceptions specified in section 470(c)(2)). The manner of application of section 470 in the case of property owned by a partnership in which a tax-exempt entity is a partner is unclear.

The provision provides that tax-exempt use property does not include any property that would be tax-exempt use property solely by reason of section 168(h)(6). The provision refers to section 7701(e) for circumstances in which a partnership is treated as a lease to which section 168(h) applies. Thus, if a partnership is recharacterized as a lease pursuant to section 7701(e), and a provision of section 168(h) (other than section 168(h)(6)) applies to cause the property characterized as leased to be treated as tax-exempt use property, then the loss deferral rules of section 470 apply.

Under section 7701(e)(2), a partnership may be treated as a lease, taking into account all relevant factors, including factors similar to those set forth in section 7701(e)(1) (relating to service contracts treated as leases). In the case of property of a partnership in which a tax-exempt entity is a partner, factors similar to those in section 7701(e)(1) (and in the legislative history of that section) that are relevant in determining whether a partnership is properly treated as a lease of property held by the partnership include (1) a tax-exempt partner maintains physical possession or control or holds the benefits and burdens of ownership with respect to such property, (2) there is insignificant equity investment by any taxable partner, (3) the transfer of such property to the partnership does not result in a change in use of such property, (4) such property is necessary for the provision of government services, (5) a disproportionately large portion of the deductions for depreciation with respect to such property are allocated to one or more taxable partners relative to such partner's risk of loss with respect to such property or to such partner's allocation of other partnership items, and (6) amounts payable on behalf of the tax-exempt partner relating to the property are defeased or funded by set-asides or expected set-asides. It is intended that Treasury regulations or guidance may provide additional factors that can be taken into account in determining whether a partnership with taxable and tax-exempt partners is an arrangement that resembles a lease of property under which section 470 defers the allowance of losses.

The provision is effective as if included in the provision of the American Jobs Creation Act of 2004 to which it relates. It is not intended that the provision supercede the rules set forth by the Treasury Department in Notice 2005–29, 2005–13 I.R.B. 796, Notice 2006–2, 2006–2 I.R.B. 1, and Notice 2007–4, 2007–1 I.R.B. 260, with respect to the application of section 470 in the case of partnerships for taxable years of partnerships beginning in 2004, 2005, and 2006. These notices state that the Internal Revenue Service will not apply section 470 to disallow losses associated with property that is treated as tax-exempt use property solely as a result of the application of section 168(h)(6), and that abusive transactions involving partnerships an other pass-through entities remain subject to challenge by the Internal Revenue Service under other provisions of the tax law. Accordingly, for partnership taxable years beginning in 2004, 2005, and 2006, the Internal Revenue Service may apply section 470 to a partnership that would be treated as a lease under section 7701(e)(2).

Treatment of losses on positions in identified straddles (Act sec. 888).—Under Code section 1092, the term ''straddle'' means offsetting positions in actively traded personal property. Generally, a loss on a position in a straddle may be recognized only to the extent the amount of the loss exceeds the unrecognized gain (if any) in offsetting positions in the straddle (sec. 1092(a)(1)(A)). Special rules for identified straddles provide a different treatment of losses and also provide that any position that is not part of an identified straddle is not treated as offsetting with respect to any position that is part of the identified straddle. A taxpayer is permitted to treat a straddle as an identified straddle only if, among other requirements, the straddle is not part of a larger straddle.

Before the enactment of the Act, the rules for treating a straddle as an identified straddle required that all the positions of the straddle were acquired on the same day and either that all of the positions were disposed of on the same day in a taxable year or that none of the positions were disposed of as of the close of the taxable year. A loss on a position in an identified straddle was not subject to the loss deferral rule described above but instead was taken into account when all the positions making up the straddle were disposed of.

The Act changed the rules for identified straddles by providing, among other things, that if there is a loss on a position in an identified straddle, the loss is applied to increase the basis of the offsetting positions in that identified straddle. Under section 1092(a)(2)(A)(ii), the basis of each offsetting position in an identified straddle is increased by an amount that equals the product of the amount of the loss multiplied by the ratio of the amount of unrecognized straddle period gain in that offsetting position to the aggregate amount of unrecognized straddle period gain in all offsetting positions. The Act also provided that any loss described in section 1092(a)(2)(A)(ii) is not otherwise taken into account for Federal tax purposes.

The Act left unclear the treatment of a loss on a position in an identified straddle in at least two circumstances: first, when there are no offsetting positions in the identified straddle with unrecognized straddle period gain, and, second, when an offsetting position in the identified straddle is or has been a liability to the taxpayer.

The provision addresses the treatment of losses in these two circumstances. In general, the provision reaffirms that a loss on a position in an identified straddle is not permitted to be recognized currently and also is not permanently disallowed.

The provision provides that if the application of section 1092(a)(2)(A)(ii) does not result in a basis increase in any offsetting position in the identified straddle (because there is no unrecognized straddle period gain in any offsetting position), the basis of each offsetting position in the identified straddle must be increased in a manner that (1) is reasonable, is consistent with the purposes of the identified straddle rules, and is consistently applied by the taxpayer, and (2) allocates to offsetting positions the full amount of the loss (but no more than the full amount of the loss). At the time a taxpayer adopts an allocation method under this rule, the taxpayer is expected to describe that method in its books and records.

Under the provision, unless the Secretary of the Treasury provides otherwise, similar rules apply for purposes of the identified straddle rules when there is a loss on a position in an identified straddle and an offsetting position in the identified straddle is or has been a liability or an obligation (including, for instance, a debt obligation issued by the taxpayer, a written option, or a notional principal contract entered into by the taxpayer). Under this rule, if a taxpayer, for example, receives $1 to enter into a five-year short forward contract and the next day $100 of loss is allocated to that position, the resulting basis of the contract is $99.

Under present law, a straddle is treated as an identified straddle only if, among other requirements, it is clearly identified on the taxpayer's records as an identified straddle before the earlier of (1) the close of the day on which the straddle is acquired, or (2) a time that the Secretary of the Treasury may prescribe by regulations. The provision clarifies that for purposes of this identification requirement, a straddle is clearly identified only if the identification includes an identification of the positions in the straddle that are offsetting with respect to other positions in the straddle. Consequently, taxpayers are required to identify not only the positions that make up an identified straddle but also which positions in that identified straddle are offsetting with respect to one another. The offsetting positions identification requirement added by the provision is effective for straddles acquired after the date of enactment.

The provision provides that regulations or other guidance prescribed by the Secretary for carrying out the purposes of the identified straddle rules may include the rules for the application of section 1092 to a position that is or has been a liability or an obligation. Regulations or other guidance also may include safe harbor basis allocation methods that satisfy the requirements that an allocation other than under section 1092(a)(2)(A)(ii) must be reasonable, consistent with the purposes of the identified straddle rules, and consistently applied by the taxpayer.

Amendments Related to the Economic Growth Tax Relief Reconciliation Act of 2001

Application of special elective deferral limit to designated Roth contributions (Act sec. 617).—Code section 402(g)(7) provides a special rule allowing certain employees to make additional elective deferrals to a tax-sheltered annuity, subject to (1) an annual limit of $3,000, and (2) a cumulative limit of $15,000 minus the amount of additional elective deferrals made in previous years under the special rule. Present law provides a rule to coordinate the cumulative limit with the ability to make designated Roth contributions, but inadvertently reduces the $15,000 amount by all designated Roth contributions made in previous years. The provision clarifies that the $15,000 amount is reduced only by additional designated Roth contributions made under the special rule.

Application of FICA taxes to designated Roth contributions (Act sec. 617).—Under Code section 3121(v)(1)(A), elective deferrals are included in wages for purposes of social security and Medicare taxes. The provision clarifies that wage treatment applies also to elective deferrals that are designated as Roth contributions.

Amendments Related to the Tax Relief Extension Act of 1999

Renewable electricity sold to utilities under certain contracts (Act sec. 507).—Code section 45(e)(7) provides that a wind energy facility placed in service by the taxpayer after June 30, 1999, does not qualify for the section 45 production tax credit if the electricity generated at the facility is sold to a utility pursuant to certain pre-1987 contracts. The provision clarifies that facilities placed in service prior to June 30, 1999, that sell electricity under applicable pre-1987 contracts are not denied the section 45 production tax credit solely by reason of a change in ownership after June 30, 1999.

Treatment of income and services provided by taxable REIT subsidiaries (Act sec. 542).—The provision clarifies that the transient basis language in the definition of a lodging facility applies only in determining whether an establishment other than a hotel or motel qualifies as a lodging facility.

Amendment Related to the Internal Revenue Service Restructuring and Reform Act of 1998

Redactions for background documents related to Chief Counsel Advice documents (Act sec. 3509).—The Internal Revenue Service Restructuring and Reform Act of 1998 established a structured process by which the IRS makes certain work products, designated Chief Counsel advice (''CCA''), open to public inspection. To afford additional protection for certain governmental interests implicated by CCAs, section 6110(i)(3) governs redactions that may be made to CCAs, including the exemptions or exclusions available under the Freedom of Information Act, 5 U.S.C. 552(b) and (c) (except that the provision for redaction under a Federal statute excludes Title 26), as well as the exemptions pertaining to taxpayer identity information described in section 6110(c)(1). Section 6110(i)(3) does not expressly address redactions to the ''background file documents'' related to a CCA. The provision clarifies that the CCA background file documents are governed by the same redactions as CCAs.

Clerical corrections

The bill includes a number of clerical and conforming amendments, including amendments correcting typographical errors.

Mr. REID. Mr. President, I ask unanimous consent that the bill be read three times, the motion to reconsider be laid upon the table, and that any statements be printed in the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The bill (H.R. 4389) was ordered to be read a third, was read the third time, and passed.

AUTHORITY FOR COMMITTEES TO REPORT

Mr. REID. Mr. President, I ask unanimous consent that during the recess or adjournment of the Senate, Senate committees may file committee-reported Legislative and Executive Calendar business on Tuesday, January 8, during the hours of 10 a.m. to 12 noon.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

APPOINTMENT AUTHORIZATION

Mr. REID. Mr. President, I ask unanimous consent that notwithstanding the recess or adjournment of the Senate, the President of the Senate, the President pro tempore, and the majority and minority leaders be authorized to make appointments to commissions, committees, boards, conferences, or interparliamentary conferences authorized by law, by concurrent action of the two Houses, or by order of the Senate.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

UNANIMOUS CONSENT AGREEMENT—S. 1200

Mr. REID. Mr. President, I ask unanimous consent that on Tuesday, January 22, 2008, following a period of morning business, the Senate then proceed to the consideration of Calendar No. 421, S. 1200, the Indian health legislation.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

UNANIMOUS CONSENT AGREEMENT—S. 2483

Mr. REID. Mr. President, I ask unanimous consent the Senate proceed to Calendar No. 546, S. 2483, the energy lands bills, at a time to be determined by the majority leader, following consultation with the Republican leader, and that when considered, it be considered under the following limitations: that the only amendments in order be five related amendments to be offered by Senator COBURN; that upon disposition of all amendments, the bill be read a third time, and the Senate proceed to vote on passage of the bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. REID. I mentioned this morning that we are going to do Indian health, FISA, and then we can to go this bill that I just got consent on dealing with energy.

MEASURE READ THE FIRST TIME—H.R. 4040

Mr. REID. There is a bill at the desk due for its first reading. It is the consumer product commission.

The ACTING PRESIDENT pro tempore. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 4040) to establish consumer product safety standards and other safety requirements for children's products and to reauthorize and modernize the Consumer Product Safety Commission.

Mr. REID. I now ask for its second reading and, in order to place the bill on the calendar under the provisions of rule XIV, I object to my own request.

The ACTING PRESIDENT pro tempore. Objection is heard.

The bill will receive its second reading on the next legislative day.

Mr. REID. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

H.R. 1216 AND H.R. 1254

Mr. REID. Mr. President, I have two consent requests that I have been asked to propound on behalf of Members on our side. These two bills are very important. There are objections on the Republican side. I would propound the requests, but I have been told the Republicans would have to bring somebody here, and there would be an objection, so I am not going to make that necessary.

The bills are H.R. 1216, Kids and Cars Safety Act of 2007, and H.R. 1254, the Presidential Library bill. These two pieces of legislation are important to Senators CLINTON and LIEBERMAN.

I would like to announce today that when the Senate returns for business in January, we will ask the consents again, and I hope at that time the minority, who are now objecting, will not be here to lodge those objections.

THANKING SENATOR CASEY

Mr. REID. Mr. President, so it does not pass my mind, I want to express the appreciation of everyone involved here for the Presiding Officer spending so much time here today. We thought we would be out of here by 3 o'clock this afternoon. It is 8:30, and we are still not finished our work.

I can remember when I was a new Member of the House of Representatives, and it was a time about like this,

and I was asked to preside. Now, remember, there are 435 Members of the House of Representatives, and I was a freshman. Oh, was I happy—a great big podium and a great big gavel, which I did not have to use. I would not have known how to anyway. But I look back with a lot of fond memories to that 25 years ago.

But we appreciate the Senator being here today. Most of this work of this Senate is completed, and we have to have someone who is presiding. The Senator has been very patient with all of us. We appreciate it very much. But this speaks of who you are. You are always a very patient person. I am grateful to you, as we all are.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

NOMINATIONS STATUS QUO

Mr. REID. Mr. President, as in executive session, I ask unanimous consent that, the provisions of rule XXXI notwithstanding, all nominations remain in status quo except the following: from the Armed Services Committee, Colonels Larry Arnett, Otis Morris, and Gilberto Pena to be brigadier generals; Colonel Marc L. Warren to be brigadier general; Colonel Mark W. Tillman to be brigadier general; Anita K. Blair, of Virginia, to be an Assistant Secretary of the Navy; from the Committee on the Judiciary, Steven G. Bradbury, of Maryland, to be an Assistant Attorney General.

The ACTING PRESIDENT pro tempore. Is there objection?

Without objection, it is so ordered.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider Executive Calendar Nos. 117, 372, 377, 393, 408, 409, 411, 412 through 427, 433 through 438, and all the nominations on the Secretary's desk; that the nominations be confirmed, the motions to reconsider be laid on the table, and the President be immediately notified of the Senate's action.

The ACTING PRESIDENT pro tempore. Is there objection?

Without objection, it is so ordered.

The nominations considered and confirmed are as follows:

FEDERAL ENERGY REGULATORY COMMISSION

Joseph Timothy Kelliher, of the District of Columbia, to be a Member of the Federal Energy Regulatory Commission for the term expiring June 30, 2012.

DEPARTMENT OF HOMELAND SECURITY

Julie L. Myers, of Kansas, to be Assistant Secretary of Homeland Security.

FEDERAL EMERGENCY MANAGEMENT AGENCY

W. Ross Ashley, III, of Virginia, to be an Assistant Administrator of the Federal Emergency Management Agency, Department of Homeland Security.

DEPARTMENT OF COMMERCE

Todd J. Zinser, of Virginia, to be Inspector General, Department of Commerce.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Benjamin Eric Sasse, of Nebraska, to be an Assistant Secretary of Health and Human Services.

Christina H. Pearson, of Maryland, to be an Assistant Secretary of Health and Human Services.

FEDERAL ENERGY REGULATORY COMMISSION

Jon Wellinghoff, of Nevada, to be a Member of the Federal Energy Regulatory Commission for the term expiring June 30, 2013.

DEPARTMENT OF DEFENSE

James Shinn, of New Jersey, to be an Assistant Secretary of Defense.

Mary Beth Long, of Virginia, to be an Assistant Secretary of Defense.

John H. Gibson, of Texas, to be an Assistant Secretary of the Air Force.

Craig W. Duehring, of Minnesota, to be an Assistant Secretary of the Air Force.

IN THE AIR FORCE

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be general

Lt. Gen. Roger A. Brady, 0000

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. Richard Y. Newton, III, 0000

The following named officer for appointment in the United States Air Force to the grade indicated under title 10, U.S.C., section 624:

To be brigadier general

Col. Walter D. Givhan, 0000

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. William L. Shelton, 0000

The following Air National Guard of the United States officer for appointment in the Reserve of the Air Force to the grade indicated under title 10, U.S.C., section 12203:

To be brigadier general

Col. Allyson R. Solomon, 0000

The following named officers for appointment in the United States Air Force to the grade indicated under title 10, U.S.C., section 624:

To be brigadier general

Col. Christopher F. Burne, 0000
Col. Dwight D. Creasy, 0000

IN THE ARMY

The following named officers for appointment to the grade indicated in the United States Army under title 10, U.S.C., section 624:

To be brigadier general

Colonel Robert B. Abrams, 0000
Colonel Ralph O. Baker, 0000
Colonel Allen W. Batschelet, 0000
Colonel Peter C. Bayer, Jr., 0000
Colonel Arnold N.G. Bray, 0000
Colonel Jeffrey S. Buchanan, 0000
Colonel Robert A. Carr, 0000
Colonel Gary H. Cheek, 0000
Colonel Kendall P. Cox, 0000
Colonel William T. Crosby, 0000
Colonel Anthony G. Crutchfield, 0000
Colonel Joseph P. Disalvo, 0000
Colonel Brian J. Donahue, 0000
Colonel Patrick J. Donahue, II, 0000
Colonel Peter N. Fuller, 0000
Colonel William K. Fuller, 0000
Colonel Walter M. Golden, Jr., 0000
Colonel Patrick M. Higgins, 0000
Colonel Frederick B. Hodges, 0000
Colonel Brian R. Layer, 0000
Colonel Richard C. Longo, 0000
Colonel Alan R. Lynn, 0000
Colonel David L. Mann, 0000
Colonel Lloyd Miles, 0000
Colonel Mark A. Milley, 0000
Colonel John W. Nicholson, Jr., 0000
Colonel Henry J. Nowak, 0000
Colonel Raymond P. Palumbo, 0000
Colonel Gary S. Patton, 0000
Colonel Mark W. Perrin, 0000
Colonel William E. Rapp, 0000
Colonel Thomas J. Richardson, 0000
Colonel Steven L. Salazar, 0000
Colonel Raymond A. Thomas, III, 0000
Colonel Paul L. Wentz, 0000
Colonel Larry D. Wyche, 0000

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Lt. Gen. R. Steven Whitcomb, 0000

The following named officer for appointment in the United States Army to the grade indicated under title 10, U.S.C., section 624:

To be major general

Brig. Gen. John A. Macdonald, 0000

The following named officer for appointment in the United States Army to the grade indicated under title 10, U.S.C., sections 624 and 3064:

To be brigadier general

Col. Dana K. Chipman, 0000

The following Army National Guard of the United States officer for appointment in the Reserve of the Army to the grade indicated under title 10, U.S.C., section 12203:

To be major general

Brig. Gen. Dennis L. Celletti, 0000

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Lt. Gen. David P. Valcourt, 0000

DEPARTMENT OF TRANSPORTATION

Francis Mulvey, of Maryland, to be a Member of the Surface Transportation Board for a term expiring December 31, 2012.

Carl T. Johnson, of Virginia, to be Administrator of the Pipeline and Hazardous Materials Safety Administration, Department of Transportation.

IN THE COAST GUARD

The following named officer for appointment in the United States Coast Guard Reserve to the grade indicated under title 10, U.S.C., section 12203:

To be rear admiral

Rear Adm. (lh) Michael R. Seward, 0000

The following named officers for appointment in the United States Coast Guard to

the grade indicated under title 14, U.S.C., section 271:

To be rear admiral (lower half)

Capt. Joseph R. Castillo, 0000
Capt. Daniel R. May, 0000
Capt. Peter V. Neffenger, 0000
Capt. Charles W. Ray, 0000

The following named officers for appointment in the United States Coast Guard to the grade indicated under title 14, U.S.C., section 271:

To be rear admiral

Rear Adm. (lh) William D. Baumgartner, 0000
Rear Adm. (lh) Manson K. Brown, 0000
Rear Adm. (lh) Cynthia A. Coogan, 0000

DEPARTMENT OF HOMELAND SECURITY

Robert D. Jamison, of Virginia, to be an Under Secretary of Homeland Security.

NOMINATIONS PLACED ON THE SECRETARY'S DESK

IN THE AIR FORCE

PN1121 AIR FORCE nomination of Joseph V. Treanor III, which was received by the Senate and appeared in the Congressional Record of December 6, 2007.

PN1122 AIR FORCE nomination of Pamala L. Browngrayson, which was received by the Senate and appeared in the Congressional Record of December 6, 2007.

PN1123 AIR FORCE nomination of Alicia J. Edwards, which was received by the Senate and appeared in the Congressional Record of December 6, 2007.

PN1124 AIR FORCE nominations (2) beginning THERESA D. BROWNDOONQUAH, and ending CHERYL A. JOHNSON, which nominations were received by the Senate and appeared in the Congressional Record of December 6, 2007.

PN1125 AIR FORCE nominations (3) beginning JEFFREY J. HOFFMANN, and ending GERALD B. WHISLER III, which nominations were received by the Senate and appeared in the Congressional Record of December 6, 2007.

PN1126 AIR FORCE nominations (3) beginning KELLEY A. BROWN, and ending MARK A. NIELSEN, which nominations were received by the Senate and appeared in the Congressional Record of December 6, 2007.

PN1144 AIR FORGE nominations (3) beginning JOHN R. SHAW, and ending NATALIE L. RESTIVO, which nominations were received by the Senate and appeared in the Congressional Record of December 11, 2007.

IN THE ARMY

PN1056 ARMY nominations (40) beginning WILLIAM E. ACKERMAN, and ending MARK A. VAITKUS, which nominations were received by the Senate and appeared in the Congressional Record of November 15, 2007.

PN1057 ARMY nominations (22) beginning RACHEL A. ARMSTRONG, and ending VERONICA A. THURMOND, which nominations were received by the Senate and appeared in the Congressional Record of November 15, 2007.

PN1058 ARMY nominations (6) beginning VIVIAN T. HUTSON, and ending LAURIE E. SWEET, which nominations were received by the Senate and appeared in the Congressional Record of November 15, 2007.

PN1059 ARMY nominations (7) beginning GARY D. COLEMAN, and ending PAUL E. WHIPPO, which nominations were received by the Senate and appeared in the Congressional Record of November 15, 2007.

PN1060 ARMY nomination of Lillian L. Landrigan, which was received by the Senate and appeared in the Congressional Record of November 15, 2007.

PN1093 ARMY nominations (2) beginning SARAH B GOLDMAN, and ending MICHEAL B. MOORE, which nominations were received by the Senate and appeared in the Congressional Record of December 3, 2007.

PN1094 ARMY nominations (3) beginning RICKY A. THOMAS, and ending JOSEPH PUSKAR, which nominations were received by the Senate and appeared in the Congressional Record of December 3, 2007.

PN1095 ARMY nomination of Tarnjit S. Saini, which was received by the Senate and appeared in the Congressional Record of December 3, 2007.

PN1096 ARMY nomination of Bockarie Sesay, which was received by the Senate and appeared in the Congressional Record of December 3, 2007.

PN1097 ARMY nomination of Deborah Minnickshearin, which was received by the Senate and appeared in the Congressional Record of December 3, 2007.

PN1098 ARMY nomination of Stephen L. Franco, which was received by the Senate and appeared in the Congressional Record of December 3, 2007.

PN1099 ARMY nomination of George Quiroa, which was received by the Senate and appeared in the Congressional Record of December 3, 2007.

PN1100 ARMY nominations (4) beginning DAVID N. GERESKI, and ending CLINT E. WALKER, which nominations were received by the Senate and appeared in the Congressional Record of December 3, 2007.

PN1101 ARMY nomination of Kimberly K. Johnson, which was received by the Senate and appeared in the Congressional Record of December 3, 2007.

PN1102 ARMY nominations (4) beginning ALAN JONES, and ending CHANTAY P. WHITE, which nominations were received by the Senate and appeared in the Congressional Record of December 3, 2007.

PN1103 ARMY nominations (18) beginning MARIAN AMREIN, and ending D060583, which nominations were received by the Senate and appeared in the Congressional Record of December 3, 2007.

PN1127 ARMY nomination of Daniel J. Judge, which was received by the Senate and appeared in the Congressional Record of December 6, 2007.

PN1128 ARMY nominations (2) beginning RICHARD HARRISON, and ending GREGORY W. WALTER, which nominations were received by the Senate and appeared in the Congressional Record of December 6, 2007.

PN1129 ARMY nominations (3) beginning JOE R. WARDLAW, and ending NICKOLAS KARAJOHN, which nominations were received by the Senate and appeared in the Congressional Record of December 6, 2007.

PN1130 ARMY nominations (2) beginning VANESSA M. MEYER, and ending JAMES E. ADAMS, which nominations were received by the Senate and appeared in the Congressional Record of December 6, 2007.

PN1145 ARMY nomination of Quindola M. Crowley, which was received by the Senate and appeared in the Congressional Record of December 11, 2007.

PN1146 ARMY nominations (3) beginning PAUL A. MABRY, and ending ROBERT PERITO, which nominations were received by the Senate and appeared in the Congressional Record of December 11, 2007.

PN1147 ARMY nominations (147) beginning JOSEPH M. ADAMS, and ending D060256, which nominations were received by the Senate and appeared in the Congressional Record of December 11, 2007.

PN1148 ARMY nominations (241) beginning ANTHONY J. ABATI, and ending D060260, which nominations were received by the Senate and appeared in the Congressional Record of December 11, 2007.

PN1149 ARMY nominations (142) beginning DAVID P. ACEVEDO, and ending X1408, which nominations were received by the Senate and appeared in the Congressional Record of December 11, 2007.

COAST GUARD

PN1119 COAST GUARD nomination of Robert A. Stohlman, which was received by the Senate and appeared in the Congressional Record of December 6, 2007.

PN1120 COAST GUARD nomination of Raymond S. Kingsley, which was received by the Senate and appeared in the Congressional Record of December 6, 2007.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

PN1014 NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION nominations (16) beginning Llian G. K Breen, and ending Anna-Elizabeth B. Villard-Howe, which nominations were received by the Senate and appeared in the Congressional Record of November 1, 2007.

IN THE NAVY

PN1061 NAVY nomination of Horace E. Gilchrist, which was received by the Senate and appeared in the Congressional Record of November 15, 2007.

PN1106 NAVY nominations (15) beginning RICHARD W. SISK, and ending JOHN T. SCHOFIELD, which nominations were received by the Senate and appeared in the Congressional Record of December 3, 2007.

PN1150 NAVY nominations (23) beginning STEPHEN W. ALDRIDGE, and ending KRISTOFER J. WESTPHAL, which nominations were received by the Senate and appeared in the Congressional Record of December 11, 2007.

NOMINATIONS DISCHARGED

Mr. REID. Mr. President, I ask unanimous consent that the Foreign Relations Committee be discharged of the following nominations: foreign service nominations listed as follows: PN 877, PN 955, PN 1006, PN 1007, PN 1015, PN 1034; that the nominations be confirmed, the motions to reconsider be laid upon the table, the President be immediately notified of the Senate's action.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The nominations considered and confirmed are as follows:

DEPARTMENT OF STATE

Cedra Danielle Eaton, of Maryland

For appointment as Foreign Service Officer of Class Four, Consular Officer and Secretary in the Diplomatic Service of the United States of America:

DEPARTMENT OF STATE

S. Nausher M. Ali, of California
Christopher Charles Ashe, of Pennsylvania
Kimberly K. Atkinson, of South Dakota
Deidra Di Anne Avendasora, of Minnesota
Tiffany M. Bartish, of Illinois
Christopher Graydon Beard, of Florida
Jennifer L. Becker, of Kansas
Nancy R. Biasi, of Oregon
Sheryl J. Bistransky, of Virginia
Michael A. Bradecamp, of Virginia
Cheryl R. Bruner, of South Dakota
Mark Colbourne Carlson, of Washington
Landry Joseph Carr, of Louisiana
Michael Albert Chung, of Washington
Sara M. Cobb, of Florida
Kathleen Marie Corey, of Washington
John C. Corrao, of Indiana
Sonata N. Coulter, of Washington
Joanne Held Cummings, of Texas
Paul Michael Cunningham, of Connecticut
Christopher M. Deutsch, of Virginia
Janet E. Deutsch, of Illinois
Beverli J. DeWalt, of Washington
Sarah A. Duffy, of Illinois
David Clifford Edginton, of Iowa
Ellen Beth Eiseman, of New York
Jill Foster, of California
Eric Geelan, of New York

Kathleen D. Gibilisco, of California
John H. Gimbel IV, of Nevada
Carla A. Gonneville, of California
Christopher R. Green, of Texas
John R. Groch, of Texas
H. Rebecca Grutz, of Texas
Traver Gudie, of Florida
Richard F. Hanrahan, Jr., of Illinois
Cash A. Herbolich, of Arizona
Anny Chi-Jin Ho, of Virginia
Robert F. Hommowun, of California
Amy J. Hood, of Virginia
Jessica Marie Franz Huaracayo, of California
Dorian Hurtado, of Florida
Mollie Jax Jackson, of Oregon
Theodore Evan Jasik, of New York
Alma Musanovic Johnson, of New Hampshire
Tiffney J. Johnson, of Texas
Wendy Annette Kahler, of Virginia
Deborah J. Kanarek, of California
Mary Virginia Kane, of Maryland
Wendy A. Kennedy, of Washington
Jason B. Khile, of Illinois
Julie Kim-Johnson, of Washington
Emily L. King, of Virginia
Brian P. Klein, of Pennsylvania
Richard W. La Roche, Jr., of California
Guy M. Lawson, of Texas
Paula I. L'Ecuyer, of Virginia
Paul A. Loh, of New York
Leon C. Lowder III, of New York
Laura deNelle Lucas, of Idaho
Mary Elizabeth Madden, of Oregon
Guy Margalith, of New York
Berenice Mariscal, of Texas
Robert M. Marks, of Florida
Hagen Davis Maroney, of New York
Melissa E. Martinez, of New Mexico
Partha Mazumdar, of Pennsylvania
Lissa Mei-lin McAtee, of Washington
P. Christopher McCabe, of Colorado
Nancy Hillery McCarthy, of Texas
Catherine E. McGeary, of Florida
Aud-Frances McKernan, of California
Cristina Marie Marko Meaney, of Arizona
Ann Meceda, of California
Sara M. Mercado, of California
Kristian G. Moore, of Colorado
John K. Moyer, of Pennsylvania
Eshel William Murad, of Virginia
Kevin T. Murakami, of Virginia
Megan Thana Myers, of Minnesota
Jeremy Nathan, of Illinois
Jenifer Lynn Neidhart de Ortiz, of Florida
Thu M. Nguyen, of Virginia
Briana L. Olsen, of Washington
Douglas S. O'Neill, of Florida
Swati Mansukh Patel, of Alabama
Coney Patterson, of Florida
Timothy Eugene Peltier, of Virginia
Steven Perry, of Virginia
Brian R Peterson, of Washington
Christopher R. Reynolds, of New Jersey
Christine Riehl, of Maryland
Michael R. Roberts, of New Jersey
Richard W. Roesing III, of Pennsylvania
Meredith Leigh Rubin, of Virginia
Joseph H. Runyon, of Florida
Trina D. Saha, of California
Anne Lee Seshadri, of New Hampshire
Charles H. Sewall, of Florida
Preeti Vikas Shah, of Michigan
Kim Shaw, of California
Patrick Isamu Smeller, of Maryland
Jeffrey Brian Smith, of Texas
Steven T. Smith, of New Hampshire
John Thomas Speaks III, of Texas
Debra A. Steigerwalt, of Virginia
Scott Adam Sternberg, of Florida
Stephen Bruce Stewart, of California
Erinn C. Stott, of Texas
Andrea V. Strano, of New York
Paul M. Stronski, of New York
Joseph A. Strzalka, of Michigan
Rachel Sunden, of Texas
Kathleen S. Szpila, of Massachusetts
Debra Taylor, of Washington
Victoria Jean Taylor, of Missouri
Chad Alan Thornberry, of California
Jennifer L. Vieira, of Texas
Thomas Joseph Wallis, of Virginia
Drake A. Weisert, of Texas
Adam P. West, of Illinois
Joel Robert Wiegert, of Nebraska
Patrick R. Wingate, of Texas
Ellen Wong, of Missouri
Danielle K. Wood, of Oregon
Jean Thomas Woynicki, of Pennsylvania
Daniela Zadrozny, of Texas

DEPARTMENT OF STATE

Wendy P. Lyle, of Virginia

Secretary in the Diplomatic Service of the United States of America:

DEPARTMENT OF TREASURY

Christopher Adams, of California

Consular Officers and Secretaries in the Diplomatic Service of the United States of America:

DEPARTMENT OF COMMERCE

Peter D. Liston, of Florida

DEPARTMENT OF STATE

Mary E. Alexander, of Texas
Logan Alschbach, of Virginia
Robert T. Alter, of the District of Columbia
Sandra E. Ambrose-Shem, of Virginia
Robert Anderson, of Oregon
Asha B. Andrews, of California
David Avery, of New Mexico
D. Heath Bailey, of Nevada
Debra A. Barbessi, of Virginia
Alexandra Lara Baumgartner, of West Virginia
Shari Alyson Berke, of the District of Columbia
Rachel E. Birthisel, of Virginia
Brandon L. Borkowicz, of Illinois
Donald A. Brown, of Louisiana
Leslie E. Brown, of the District of Columbia
Lindsay H. Bush, of Virginia
Daniel J. Byrne, of Virginia
Eric Camus, of Oregon
Steven W. Carroll, of California
Charles Coxwell Carson, of Virginia
Christopher Ronald Carver, of Oregon
Michael D. Christie, of Virginia
Daniel Y. Chu, of California
Daniel R. Cisek, of Illinois
Alfonso Cortes, of New York
John Edward Crippen, of Arkansas
Ramona S. Crippen, of Arkansas
Thomas P. Dalton, of Texas
Susan V. Dankovich, of Pennsylvania
Nathalie Jordan Davis, of Maryland
Wayne Charles Davis, of Virginia
Nathaniel P. Delemarre, of Virginia
Lawanda B. Dixon, of Maryland
Michael Stephen Doumitt, of Virginia
Monique A. Downs, of Maryland
Scott Driskel, of Virginia
Janet Marie Elbert, of Virginia
David Aaron Epstein, of New York
Nancy Ann Eyde, of Michigan
Kellee A. Farmer, of Kansas
David Kip Francis, of Georgia
Kevin W Friloux, of Texas
Edward A. Gallagher, of Virginia
Nicole E. Gallagher, of Maryland
Juan Jaime Gamboa, of Texas
James C. Gessler, of Virginia
Kristin Michele Gilmore, of California
Stephen Glaser, of California
Barry S. Greenberg, of Maryland
Lawrence James Grossback, of Virginia
Rebecca Haas, of Pennsylvania
Greg A. Hall, of Maryland
Mercedes Ruth Hammer, of Virginia
Sarah J. Hansen, of Virginia
Robert W. Hareland, of Nevada
Anthony P. Harman, of Maryland
S. Evan Harper, of the District of Columbia
Megan Alice Harris, of Virginia
Justin Matthew Hekel, of New York
Paul E. Hickernell, of Virginia
Rebecca Katherine Hunter, of Florida
Kareem N. Jamjoom, of Mssouri
James J. Jay, Jr, of Illinois
Michael H. Johnson, Jr., of Virginia
Nicole G Johnson, of Wisconsin
Eric A. Jordan, of Kansas
Przemyslaw Robert Kaczorowski, of Maryland
George R. Kanekkeberg, of Virginia
Megan M. Katin, of Virginia
Elizabeth C. Kaufman, of Virginia
James Brennan Kelly, of the District of Columbia
Keely Zwart Kilburg, of Texas
Eric Michael Kline, of Virginia
Scott O. Koenig, of California
Timothy R. Kraemer, of Virginia
Jeanne Brennan Land, of Virginia
Susan P. Larson, of Virginia
Elizabeth K. Lee, of California
Leslie A. Linnemeier, of Virginia
Mary LoFrisco-McClure, of Maryland
Billy Malone, of Virginia
Bruce G. Mangum, of Maryland
David Matthew Mark, of Virginia
Charles Martin, of Kentucky
Paul J. Martinek, of Massachusetts
Marjorie A. Mathelus, of Virginia
George D. Mathews, of Virginia
Catherine Jean McFarland, of Florida
Grant L. McMurran, of Virginia
Richard Bruce Mddlebrooks, of Virginia
Benjamin Edward Miller, of California
Thomas Miniaci, of Virginia
Blake W. Mobley, of the District of Columbia
Kimberlee Moore, of Virginia
Matthew Abraham Myers, Sr., of Florida
William R. Nelson, of Wisconsin
Nicole A. Nucelli, of Virginia
Aaron P. Ong, of Virginia
Robert C. Palmer, of California
Brandy L. Pankau, of West Virginia
Megan M. Phaneuf, of the District of Columbia
Justin A. Ponchak, of Virginia
Michael Hugh Quinn, of Alaska
Jamie William Ravetz, of Pennsylvania
Robin Reichenbach, of Virginia
Christopher Rhoton, of Virginia
Meredith Robertson, of Virginia
Carolyn Rodal, of Virginia
Timothy R. Roman, of Maryland
Aaron John Rupert, of Ohio
Manju K. Sadarangani, of New York
Marco G. Sailors, of Pennsylvania
Susan M. Sakraida, of Pennsylvania
Marcelyn E. Sanchez, of California
Cheryl Anderson Saus, of Virginia
Kevi E. Sechrest, of Virginia
David P. Segalini, of Virginia
Anjalina Sen, of New York
D. Alexandra Shuey, of the District of Columbia
Richard R. Silver, of California
Theodora S. Smith, of Maryland
Timothy J. Smith, of Maryland
Andrew D. Snodgrass, of Virginia
Jimmi Nicole Sommer, of Idaho
Jorge Patrick Sowers, of Virginia
Paul Glen Stahle, of Maryland
Wade B. Stanton, of Virginia
Sharla Stephenson, of Virginia
Sarah C. Stewart, of Arizona
Erin C. Stuart, of Virginia
Mary E. Stuessy, of Ohio
Huguette Thornton, of Florida
Peter J. Thrapp, of Illinois
Benjamin Tietz, of Virginia
Joseph Anthony Tordella, of Florida
Rubani I. Trimiew, of New Jersey
Nguyen C. Trinh, of Maryland
Kristine M. Tuori, of Maryland
Cynthia Jean Turner, of Florida
Ariel Rebecca Vaagen, of Texas
Michelle R. Vassar, of Virginia
Jessica R. Vielhuber, of Virginia
Heidi B. Vierow, of Virginia

Timothy S. Wade, of the District of Columbia
Kerry Merkl Wald, of Connecticut
Michele Wells, of California
Richard Whitten, of Florida
Whitney Scott Wiedeman, of Texas
Stewart A.S. Wight, of Virginia
Todd Andrew Wilder, of Washington
Michelle Marie Wildman, of Indiana
Suzanne M. Yountchi, of California

The following-named Career Members of the Senior Foreign Service of the Department of Agriculture/APHIS for promotion within and into the Senior Foreign Service to the classes indicated: Career Member of the Senior Foreign Service, Class of Career Minister:

Danny J. Sheesley, of Colorado

DEPARTMENT OF STATE

Julia A. Stewart, of Virginia

The following-named Members of the Foreign Service to be Consular Officers and/or Secretaries in the Diplomatic Service of the United States of America, as indicated:

Consular Officers and Secretaries in the Diplomatic Service of the United States of America:

DEPARTMENT OF COMMERCE

Paul S. Cushman, of Florida

DEPARTMENT OF STATE

Jessica Lynn Adams, of Ohio
Gregory David Aurit, of Nevada
Mark J. Bosse, of California
Roberta R. Burns, of New York
Lydia Beth Butts, of Texas
Lisa Arunee Buzenas, of the District of Columbia
Daniel C. Callahan, of Virginia
Thomas L. Card, of Virginia
Michael Carney, of Georgia
Mary Karol Cline, of the District of Columbia
Marc S. Cook, of the District of Columbia
Michael Albert Daschbach, of Arizona
Thomas R. De Bor, of Pennsylvania
Kristen Fresonke, of New York
Lawrence H. Gemmell, of Maine
Lewis Gitter, of Pennsylvania
Kristofor E. Graf, of Texas
Sean S. Greenley, of South Carolina
Michael William Hale, of Virginia
Paul Allen Hinshaw, of Mississippi
A. Diane Holcombe, of Maryland
Richard B. Johns, of Virginia
Steve M. Kenoyer, of California
Richard Morris, of Colorado
Andrea Jane Parsons, of the District of Columbia
Miranda A. Rinaldi, of the District of Columbia
Amy E. Roth, of Louisiana
Erik Martinas Ryan, of Arkansas
Denise Shen, of Virginia
Joan Renee Sinclair, of California
Diana Maria Sitt, of California
Elizabeth A. Sunday, of Pennsylvania
Mary C. Thompson, of Texas
Laura A. Till, of Colorado
Miriam Elise Tokumasu, of Washington
Nyree Tripptree, of Georgia
Christopher Van Bebber, of California
Angela Raye Ventling, of New York
Vaida Vidugiris, of New York
Zebulun Q Weeks, of Nevada
Diane Whitten, of Nebraska
Brandon L Wilson, of Virginia
Deborah Winters, of the District of Columbia

Career Member of the Senior Foreign Service, Class of Career Minister:

Anne H. Aarnes, of Vermont
Hilda Marie Arellano, of Texas
Karen Dene-Turner, of the District of Columbia

Career Member of the Senior Foreign Service, Class of Minister-Counselor:

Deborah K. Kennedy-Iraheta, of Virginia
Erma Willis Kerst, of the District of Columbia
Howard Jeffrey Sumka, of Maryland
Leon S. Waskin, Jr., of Florida
Paul E. Weisenfeld, of the District of Columbia
Susumu Ken Yamashita, of Florida

Career Member of the Senior Foreign Service, Class of Counselor;

Jennifer Adams, of New York
John A. Beed, of Maryland
Beth Ellen Cypser-Kim, of New York
Thomas R. Delaney, of Pennsylvania
Dona M. Dinkler, of Virginia
Gary Flynn Fuller, of Califomia
Lawence Hardy II, of Washington
Michael T. Harvey, of Texas
James M Harmon, of Maryland
Edith Fayssoux-Jones Humphreys, of Florida
Brooke Andrea Isham, of Washington
David Leong, of Virginia
Bobbie E. Myers, of Florida
Charles Eric North, of Virginia
Martha Erin Solo, of Virginia
Dennis J. Weller, of Illinois
Melissa Ann Williams, of Virginia

Career Members of the Senior Foreign Service of the United States of America, Class of Career Minister:

Pamela E. Bridgewater, of Maryland
Steven A. Browning, of Texas
Jeremy F. Curtin, of Maryland
Daniel Fried, of California
Francis Joseph Ricciardone, Jr., of New Hampshire

Career Members of the Senior Foreign Service of the United States of America, Class of Minister-Counselor:

Bernadette Mary Allen, of Maryland
Betsy Lynn Anderson, of Virginia
Claudia E. Anyaso, of the District of Columbia
Edmund Earl Atkins, of California
Joyce A. Barr, of Washington
Kevin Michael Barry, of Virginia
Leslie Ann Bassett, of California
Donna M. Blair, of Louisiana
Anne Taylor Callaghan, of Virginia
Arnold A. Chac, of New York
Michael Hugh Corbin, of California
Gene Allan Cretz, of New York
Michael Joseph Darmiento, of Virginia
Jonathan D. Farrar, of California
Philip S. Goldberg, of New York
Gary A. Grappo, of Florida
Charles H. Grover, of New Hampshire
David M. Hale, of New Jersey
Robert Porter Jackson, of Virginia
Tracey Ann Jacobson, of the District of Columbia
Stuart E. Jones, of Pennsylvania
Peter Graham Kaestner, of Florida
Susan E. Keogh, of California
Nabeel A. Khoury, of New York
Lisa Jean Kubiske, of Virginia
Joseph Estey MacManus, of New York
Haynes Richardson Mahoney III, of Massachusetts
M. Lee McClenny, of Washington
Nancy E. McEldowney, of Florida
Christopher J. McMullen, of the District of Columbia
James Desmond Melville, Jr., of New Jersey
William H. Moser, of Florida
Sandra M. Muench, of Florida
Anthony Muse, of Tennessee
Geraldine H. O'Brien, of Massachusetts
James A. Paige, of Ohio
Isiah L. Parnell, of Florida
Michael Bernard Regan, of New Jersey
Paul Edward Rowe, of Virginia
Larry Schwartz, of Washington
Justine M. Sincavage, of Pennsylvania
Jay Thomas Smith, of Indiana
Barbara J. Stephenson, of Florida
Agu Suvari, of Rhode Island
Teddy B. Taylor, of Maryland
Donald Gene Teitelbaum, of Virginia
Margaret A. Uyehara, of Virginia
James B. Warlick, Jr., of California
Kevin Michael Whitaker, of Virginia
Mary Jo Wills, of Virginia
Marie L. Yovanovitch, of Connecticut

Career Members of the Senior Foreign Service of the United States of America, Class of Counselor:

Gregory Adams, of Arizona
Susan Elaine Alexander, of Washington
Richard Hanson Appleton, of California
Michael Lee Bajek, of Texas
Robert David Banks, of Virginia
John R. Bass II, of New York
Robert Stephen Beecroft, of California
Robert I. Blau, of Virginia
Thurmond H. Borden, of Texas
Philip Jackson Breeden, Jr., of California
Matthew J. Bryza, of California
Piper Anne-Wind Campbell, of New York
Thomas H. Casey, Jr., of New Jersey
Karen Lise Christensen, of Virginia
Robert John Clarke, of Florida
John Alan Connerley, of California
Thomas Frederick Daughton, of New York
Robert Richard Downes, of Texas
Susan Marsh Elliott, of Virginia
Laura Patricia Faux-Gable, of Virginia
Julie A. Furuta-Toy, of California
Gonzalo Rolando Gallegos, of Texas
Peggy Ann Gennatiempo, of Washington
Thomas Henry Goldberger, of New Jersey
Robert Daniel Griffiths, of Nevada
Eva Jane Groening, of New Jersey
Ted William Halstead, of Virginia
D. Brent Hardt, of Florida
Clifford Awtrey Hart, Jr., of Virginia
Francisca Thomas Helmer, of California
Simon Henshaw, of Massachusetts
Leslie C. High, of Pennsylvania
Anthony Alonzo Hutchinson, of Washington
Dorothy Senger Imwold, of Florida
Tina S. Kaidanow, of New York
Ann N. Kambara, of California
David Joel Katz, of Washington
Neil R. Klopfenstein, of Iowa
Christopher A. Lambert, of Virginia
John Charles Law, of Virginia
Frank Joseph Ledahawsky, of New Jersey
Lewis Alan Lukens, of Vermont
Carol Lynn MacCurdy, of Virginia
Kevin K. Maher, of Virginia
John A. Matel, of Washington
Robin Hill Matthewman, of Washington
Matthew John Matthews, of Virginia
Louis Mazel, of New Hampshire
Michael William McClellan, of Kentucky
Kenneth H. Merten, of Virginia
Lawrence Mire, of California
Michael Chase Mullins, of New Hampshire
Richard Walter Nelson, of California
Virginia E. Palmer, of Virginia
Robert Patterson, of Pennsylvania
Claire A. Pierangelo, of California
H. Dean Pittman, of Mississippi
Robert Glenn Rapson, of New Hampshire
Philip Thomas Reeker, of New York
Gary D. Robbins, of Washington
Todd David Robinson, of New Jersey
Matthew M. Rooney, of Texas
Dorothea-Maria Rosen, of California
Andrew T. Simkin, of Washington
Pamela Leora Spratlen, of California
William Ralph Stewart, of Texas
Stephanie Sanders Sullivan, of Maryland
Susan M. Sutton, of Virginia
Alaina Teplitz, of the District of Columbia
Heather Ann Townsend, of the District of Columbia
Jeffrey Stewart Alexander Tunis, of Florida
Thomas E. Williams, Jr., of Virginia
Bisa Williams-Manigault, of Texas
Mary Hillers Witt, of Pennsylvania
Robert A. Wood, of New York

Career Members of the Senior Foreign Service, Class of Counselor, and Consular Officers and Secretaries in the Diplomatic Service of the United States of America:

Cheryl L. Alston, of Texas
Robert Douglas Barton, of Texas
Kevin W. Bauer, of Virginia
Stephen P. Brunette, of Virginia
Scott P. Bultrowicz, of Ohio
Kenneth B. Dekleva, of Texas
Loren F. File, Jr., of Virginia
Gregory V. Gavagan, of Florida
Joseph G. Hays III, of Virginia
John F. Hernly, of Maryland
Kibby Felecia Jorgensen, of Florida
George G. Lambert, of Indiana
Phillip S. Louh, of New Jersey
James P. McDermott, of Maryland
Bill A. Miller, of Georgia
Richard A. Nicholas, of Colorado
Robert A. Riley, of Florida
Michael H. Ross, of Virginia
Eric N. Rumpf, of Washington
Donald A. Schenck, of Virginia
John W. Schilling, of Virginia
Conrad V. Schmitt, of Texas
James E. Vanderpool, of California
Frontis B. Wiggins, of Virginia

AGENCY FOR INTERNATIONAL DEVELOPMENT

Jeffery A. Lifur, of Nevada

For appointment as Foreign Service Officer of Class Three, Consular Officer and Secretary in the Diplomatic Service of the United States of America:

AGENCY FOR INTERNATIONAL DEVELOPMENT

Sabinus Fyne Anaele, of Texas
Yohannes A. Araya, of Virginia
Jeff Richard Bryan, of Florida
Samuel Carter, Jr., of Virginia
Thaddeus S. Corley, of Nevada
Linda S. Crawford, of Florida
Matthew R. Drake, of California
Steven DeVane Edminster, of Maryland
Steven M. Fondriest, of the District of Columbia
Wayne A. Frank, of Hawaii
Jeffery T. Goebel, of the District of Columbia
David Gosney, of California
Stephen F. Herbaly, of Montana
Nicholas B. Higgins, of the District of Columbia
Michelle A. Jennings, of California
Melissa A. Jones, of California
Terence Ernest Jones, of Florida
Jessica J. Jordan, of Florida
Erin Austin Krasik, of Ohio
Akua N. Kwateng-Addo, of Maryland
Lisa Magno, of Virginia
Michael Richard McCord, of Maryland
Erin Nicholson Pacific, of the District of Columbia
Sheila R. Roquitte, of Washington
Daniel Sanchez-Bustamante, of Maryland
Nancy M. Shalala, of New Jersey
Jeffry B. Sharp, of Illinois
Jason Kennedy Singer, of the District of Columbia
Kathyrine R. Soliven, of Maryland
Michael B. Stewart, of South Dakota
Aye Aye Thwin, of Virginia
Sara R. Walter, of Kansas
James Matthew Pye Weatherill, of New Jersey

The following-named Members of the Foreign Service to be Consular Officers and Secretaries in the Diplomatic Service of the United States of America:

DEPARTMENT OF COMMERCE

Thomas P. Cassidy III, of Texas
Tanya Cole, of California
Nasir Khan, of Virginia
Ashley Miller, of Maryland

DEPARTMENT OF STATE

Brian D. Adkins, of Ohio
Nushin Sadik Alloo, of California
Laura E. Anderson, of South Carolina
Kathleen N. Astorita, of Virginia
Alfredo Ayuso, of Virginia
Adam Christopher Bacon, of Virginia
Alexander M. Bailey, of Virginia
Jennifer M. Bailey, of Virginia
Steven C. Barlow, of Virginia
Joseph George Bergen, of South Carolina
James T. Berry, of Virginia
Sarah E Bobbin, of Virginia
Darren Paul Bologna, of Virginia
Brian Andrew Bresnan, of Virginia
Kendrick Bennett Brown, of Virginia
Marcy S. Brown, of New York
Matthew Crane Buffington, of Utah
Meagan Call, of New Mexico
Anne M. Camus, of Virginia
Lindsay K. Campbell, of Maryland
Dean D. Caras, of the District of Columbia
James Michael Cichon, of Virginia
William Percy Cobb, Jr., of the District of Columbia
Henry Clay Constantine IV, of Virginia
Christopher L. Cook, of Texas
L.A. Cordero, of California
Andrea D. Corey, of Colorado
Brian F. Corteville, of Michigan
Jeffrey A. Courtemanche, of Virginia
Angela Vernet Dalrymple, of New York
Ralph Dixon III, of Virginia
Meera Doraiswamy, of Virginia
Damon DuBord, of the District of Columbia
Khashayar Ghashghai, of Texas
Fonta J. Gilliam, of North Carolina
Sandrine Susan Goffard, of Florida
Andrea Lauren Gottlich, of Kansas
Teresa L. Grantham, of Arizona
Andrea G. Hall, of Virginia
Thomas Neal Halphen, of Louisiana
Harry J. Handlin, of Maryland
Kathryn Hartmere, of Maryland
Brendan Kyle Hatcher, of Tennessee
Heidi S. Hattenbach, of Colorado
Cristin Heinbeck, of Michigan
Prashant Hemady, of Pennsylvania
Jacquelyn E. Henderson, of Indiana
Annalis Hermann, of Virginia
Norma C. Hernandez, of California
Roy Arturo Hines, of California
Winifred Loop Hofstetter, of Colorado
Mark W. Hopkins, of Virginia
Charles Phillip Hornbostel, of Virginia
Matthew Lane Horner, of Oregon
Eric S. Huguley, of Maryland
Francine I. Kalnoske, of Maryland
Zoraida Tarifa Kelley, of Virginia
James Sean Kennedy, of California
Colleen M. Kenning, of the District of Columbia
Anna M. Klimaszewska, of Virginia
Rachel R Kutzley, of Ohio
Tye M. Lageman, of Virginia
James G. Lankford, of Texas
Eric James Legallais, of Virginia
Maria del Carmen Liautaud, of Virginia
Brian Jay Luster, of Virginia
Margaret Grace MacLeod, of New York
Denise M. Malone, of Florida
Jeff D. Malsam, of Virginia
Amanda Joy Mansour, of the District of Columbia
Sara Elizabeth Martz, of Virginia
Pamela S. Miller, of Virginia
James Alexander Moore, of Virginia
Matthew A. Morrow, of Ohio
Victor G. Myers, of Maryland
Victoria A. Nestor, of Pennsylvania
Tyler Ross Nicholes, of Virginia
Siobhan Colby Oat-Judge, of Connecticut
Craig P. Osth, of Virginia
Steven Lynn Ovard, of Utah
Matthew R. Petersen, of Virginia
Garry Pierrot, of Florida
Sharon L. Pollard, of Virginia
Kathryn E. Porter, of Alabama
Brandon Possin, of Wisconsin
Rachel E. Quiroga, of Virginia
Amy J. Reardon, of Washington
Richard N. Reilly, of Florida
Charles A. Reynolds, of Georgia
David Reynolds, of Rhode Island
Kristin Marie Roberts, of Virginia
Michael Rosenthal, of the District of Columbia
Lindsey L. Rothenberg, of the District of Columbia
Samuel Flom Rothenberg, of the District of Columbia
Sarah A. Sadow, of Virginia
Alexander Rafael Schaper, of Virginia
Jacob Taylor Schultz, of Florida
Frank Erick Sellin, of Virginia
Ami U. Shah, of New Jersey
Philip Lee Shaw, of Virginia
David C. Shiao, of Virginia
Beth Nichole Skubis, of Virginia
Rhonda Lynn Slusher, of Kansas
Lachrisha D. Smith, of Maryland
John Steven Soltys, of Virginia
Jonathan W. Spitzer, of Virginia
Kimberly M Strollo, of Florida
Nikhil P. Sudame, of Connecticut
Erin P. Sweeney, of New Jersey
Michael J. Sweet, of Virginia
Justen Allen Thomas, of Wisconsin
Scott VanBeuge, of Washington
Nancy Taylor VanHorn, of Texas
Marlan C. Walker, of Utah
Dineen B. Willats, of Virginia
Timothy Lee Witkiewicz, of Virginia
Daniel Wallace Wright, of Virginia
Kevin S. Yates, of North Carolina
Zainab Zaid, of Maryland
Marwa Zeini, of Florida

DEPARTMENT OF STATE

S. Najlaa Abdus-Samad, of New York
J. Andrew Abell, of the District of Columbia
Anthony W. Alexander, of California
Christopher Campbell Allison, of Missouri
Erfana Andrabi, of Washington
Faris Y. Asad, of Ohio
Forest Grady Atkinson, of California
Benjamin Seth Bailey, of Washington
Anne Elizabeth Baker, of Washington
Chelsea M.H. Bakken, of Washington
Daniela A. Ballard, of California
Ann Barrow, of Florida
Alistair Charles Baskey, of Texas
Todd Michael Bate-Poxon, of Florida
Matthew Kenneth Beh, of New York
Mariju Libo-on Bofill, of West Virginia
Scott Charles Bolz, of Washington
Pauline Nicole Borderies, of California
Jennifer F. Bosworth, of the District of Columbia
Tobias Alyn Bradford, of Texas
Staci A. Brothers-Jackson, of Georgia
Christopher Charles Brown, of Wisconsin
D.A. Brown, of Florida
Justin Patrick Brown, of California
Thomas E. Brown, Jr., of Maryland
Timothy Patrick Buckley, of New York
Dayle Rebecca Carden, of Texas
Lyra Sharon Carr, of Nevada
Cassandra Carraway, of California
Michael J. Carver, of Texas
Eric Catalfamo, of Florida
Ethan Daniel Chorin, of California
Lewis A. Clark, of Texas
Christopher T. Cortese, of Florida
Kim D'Auria-Vazira, of California
Timmy T. Davis, of California
Frank DeParis, of Virginia
Shelly J. Dittmar, of New York
Katya Dmitrieva, of New York
Andrea Susana M. Donnally, of Florida
Jed Taro Dornburg, of the District of Columbia
Daniel S. Duane, of New York
Julie A. Eadeh, of Michigan
Michael G. Edwards, of Washington
Kiera Lacey Emmons, of California
Richard J. Faillace, of New Jersey

Joseph T. Farrelly, of the District of Columbia
Yuriy R. Fedkiw, of Ohio
Julia C. Fendrick, of Maryland
Timothy J. Fingarson, of Maryland
Andrea Finnegan, of New York
Rees M. Fischer, of Florida
Michael Kevin Fitzpatrick, of Maryland
Christopher T. Friefeld, of Virginia
Thomas Barry Fullerton, Jr., of Tennessee
Enrique Rodrigo Gallego, of Illinois
Angela Louise Gemza, of Minnesota
Anita Ghildyal, of Missouri
Matthew Bryant Golden, of California
Candace A. Graves, of North Carolina
John H. Gregg, of Alabama
Jason Kamata Hackworth, of Washington
Daniel E. Hall, of Arizona
Scott William Hansen, of Virginia
Alexander K. Hardin, of Ohio
Danielle Alisa Harms, of Pennsylvania
Scott Edward Hartmann, of the District of Columbia
Lesley M. Hayden, of Minnesota
Rich Heaton, of California
Maria Herbst Richart, of Alaska
Priscilla A. Hernandez, of Texas
Kary I. Hintz-Tate, of Virginia
Courtney Houk, of Florida
Jerry S. Ismail, of Virginia
Joseph Samuel Jacanin, of Indiana
Richard C. Jao, of New York
Judith M. Johnson, of Texas
Todd M. Katschke, of Illinois
Pamela R. Kazi, of Minnesota
Mary Elizabeth Knapp-Rasay, of Florida
Elizabeth J. Konick, of New York
Bryan K. Koontz, Jr., of Virginia
Stephen Gyula Kovacsics, of Florida
Eric J. Kramp, of Florida
Marybeth Krumm, of California
Jamie Tyler La More, of Arizona
Marsha Ann Lance, of Florida
John C. Letvin, of Florida
Adham Zibas Loutfi, of California
Christian J Lynch, of New York
Thomas H. Lyons, of Tennessee
Michael H. Margolies, of Louisiana
Ann L. Mason, of Michigan
Jennifer J. McAlpine, of Minnesota
Evan McCarthy, of Rhode Island
Robert A. McCutcheon, of Maryland
Shannon Tovan McDaniel, of Missouri
Jason McInerney, of California
John T. McNamara, of New York
Bernadette M. Meehan, of New York
Richard Conrad Michaels, of Arizona
Matthew J. Miller, of Wyoming
Anthony Miranda, of Washington
Rebecca Shira Morgan, of Illinois
Eric G. Morin, of Florida
James M. Morris, of Massachusetts
Joshua C. Morris, of Washington
Oliver John Moss III, of Florida
Junaid Mazhar Munir, of Michigan
Fahez Ahmad Nadi, of New York
Ari Nathan, of California
James Patrick Neel, of Nevada
Peter Neisuler, of Massachusetts
Phillip B. Nervig, of New York
David C. Ng, of Arizona
Sadia Niazi, of Virginia
Sean Patrick O'Hara, of Virginia
Trevor R. Olson, of Idaho
Adam Daniel Packer, of Indiana
Christine D. Parker, of Illinois
Walter Parrs Ill, of New York
Dexter C. Payne, of Virginia
Jonathan R. Peccia, of Illinois
Robert Patrick Peck, of Florida
Elizabeth Lynne Perry, of Massachusetts
Timothy C. Phillips, of California
Michael Edward Pignatello, of the District of Columbia
Cynthia L. Plath, of California
Mary Elizabeth Rose Polley, of Virginia
Jennifer Kathleen Purl, of California
Sara M. Revell, of Texas
Jason Bradley Rieff, of the District of Columbia
Bernadette Eileen Roberts, of Michigan
Benedict Robinette, of Virginia
Scott Ashton Robinson, of California
Jacquelyn Burke Rosholt, of Minnesota
Adam Douglas Ross, of Connecticut
Jeff Rotering, of North Dakota
Ruth Ellen Rudzinski, of Colorado
Emmett J. Ryan, Jr., of Montana
Kirk Harris Samson, of Wisconsin
Janet Nicole Sanders, of Arkansas
Gabrielle Hayes Sarrano, of Virginia
Briana L.M. Saunders, of Minnesota
Karen P. Schinnerer, of Michigan
J. Michelle Schohn, of North Carolina
Dawn M. Schrepel, of Texas
Vanessa A. Schulz, of the District of Columbia
Shelly A. Seaver, of Florida
June A. Shin, of California
John H. Silson, of Ohio
Daniel E. Slaven, of Texas
Patrick T. Lowinski, of Texas
Beth Moser Smith, of Virginia
Brian Kenneth Stimmler, of Florida
Christy Melicia Watkins Stoner, of Virginia
Amy L. Storrow, of Texas
Bryan Richard Switzer, of California
Matthew Alan Taylor, of Florida
Paul S. Thomas, of Colorado
Anthony Dean Tranchina, of New York
Shawn Harris Tribe, of California
Karen K. Tsai, of New York
Frank F. Tu, of California
Michael Turner, of California
Susan Lea Unruh, of Texas
Adam Richard Vogelzang, of Michigan
Jason Vorderstrasse, of California
Jocelyn Ann Vossler, of California
Sharon Ann Weber-Rivera, of New York
Helaena Wossum White, of Tennessee
Scott Lee Whitmore, of New Hampshire
John David Wilcock, of Virginia
Emily L. Williams, of Minnesota
Patrick C. Williams III, of West Virginia
Rachel Elizabeth Wolfe, of Virginia
Carson H. Wu, of Virginia
Michael H. Young, of California
Stacie Zerdecki, of Texas
Melanie Anne Zimmerman, of Maryland
Jim Zix, of Oregon

The following-named Members of the Foreign Service to be Consular Officers and Secretaries in the Diplomatic Service of the United States of America:

DEPARTMENT OF COMMERCE

Lawrence G. Johnson, of California
Tracy T. Perrelli, of the District of Columbia
Lisa Rigoli, of Virginia

The following-named Career Members of the Foreign Service of the Department of State for promotion into the Senior Foreign Service, and for appointment as Consular Officers and Secretaries in the Diplomatic Service, as indicated:

Career Member of the Senior Foreign Service of the United States of America, Class of Counselor:

Kurt Walter Tong, of Virginia

Career Member of the Senior Foreign Service, Class of Counselor, and Consular Officer and Secretary in the Diplomatic Service of the United States of America:

Lonnie J. Price, of Virginia

Mr. REID. Mr. President, I ask unanimous consent that the Foreign Relations Committee be discharged of the following nominations: Mary Ann Glendon to be Ambassador to the Holy See, PN 1028; Charles Larson to be Ambassador to Latvia, PN 1087; that the nominations be confirmed, the motions to reconsider be laid upon the table, the President be immediately notified of the Senate's action.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The nominations considered and confirmed are as follows:

DEPARTMENT OF STATE

Mary Ann Glendon, of Massachusetts, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Holy See.

Charles W. Larson, Jr., of Iowa, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Latvia.

Mr. REID. Mr. President, I ask unanimous consent that the Homeland Security Committee be discharged from the following nominations: Steven Murdock to be Director of the census, PN 660; Jeffrey Runge to be Assistant Secretary for the Health Affairs and Chief Medical Officer, PN 826; that the nominations be confirmed, the motions to reconsider be laid upon the table, the President be immediately notified of the Senate's action.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The nominations considered and confirmed are as follows:

DEPARTMENT OF COMMERCE

Steven H. Murdock, of Texas, to be Director of the Census.

DEPARTMENT OF HOMELAND SECURITY

Jeffrey William Runge, of North Carolina, to be Assistant Secretary for Health Affairs and Chief Medical Officer, Department of Homeland Security.

Mr. REID. Mr. President, I ask unanimous consent that the Judiciary Committee and the Banking Committee be discharged of the following nominations:

Scott Burns, to be Deputy Director of National Drug Control Policy, PN692; Cynthia Dyer, to be Director of the Violence Against Women Office, PN827; Nathan Hochman, to be Assistant Attorney General, PN1052; Joseph Russoniello, to be U.S. attorney, PN1070; Alan Mendelowitz, to be Director of Federal Housing Finance Board, PN989; Christopher Padilla, to be Under Secretary of Commerce for International Trade, PN861; that the nominations be confirmed, the motions to reconsider be laid on the table, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The nominations, considered and confirmed, are as follows:

DEPARTMENT OF COMMERCE

Christopher A. Padilla, of the district of Columbia, to be Under Secretary of Commerce for International Trade.

DEPARTMENT OF JUSTICE

Cynthia Dyer, of Texas, to be Director of the Violence Against Women Office, Department of Justice.

Nathan J. Hochman, of California, to be an Assistant Attorney General.

Joseph P. Russoniello, of California, to be United States Attorney for the Northern District of California.

EXECUTIVE OFFICE OF THE PRESIDENT

Scott M. Burns, of Utah, to be Deputy Director of National Drug Control Policy.

FEDERAL HOUSING FINANCE BOARD

Allan I. Mendelowitz, of Connecticut, to be a Director of the Federal Housing Finance Board.

Mr. REID. Mr. President, I ask unanimous consent that the HELP Committee be discharged of the following nominations:

Tracy Justesen, to be Assistant Secretary for Special Education, PN1051; Carol D'Amico, PN244; and Eric Hanusek, PN243, to be members of the board of directors of the National Board for Education Sciences; that the nominations be confirmed, the motions to reconsider be laid on the table; the President be immediately notified of the Senate's action, and the Senate return to legislation session.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The nominations, considered and confirmed, are as follows:

DEPARTMENT OF EDUCATION

Tracy Ralph Justesen, of Utah, to be Assistant Secretary for Special Education and Rehabilitative Services, Department of Education.

NATIONAL BOARD FOR EDUCATION SCIENCES

Eric Alan Hanushek, of California, to be a Member of the Board of Directors of the National Board for Education Sciences.

Carol D'Amico, of Indiana, to be a Member of the Board of Directors of the National Board for Education Sciences.

Mr. REID. Mr. President, I ask unanimous consent that the HELP Committee be discharged of the following nominations:

Howard Radzely, to be Deputy Secretary of Labor, PN562; Stuart Ishimaru, to be a member of the Equal Employment Opportunity Commission, PN845; Gregory Jacob, to be Solicitor for the Department of Labor Statistics, PN944; Keith Hall, to be Commissioner of Labor Statistics, PN944; Douglas Webster, to be Chief Financial Officer at the Department of Labor, PN964; that the nominations be confirmed, the motions to reconsider be laid on the table; the President be immediately notified of the Senate's action; and the Senate then return to legislative session.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The nominations, considered and confirmed, are as follows:

DEPARTMENT OF LABOR

Howard Radzely, of Maryland, to be Deputy Secretary of Labor.

Gregory F. Jacob, of New Jersey, to be Solicitor for the Department of Labor.

Keith Hall, of Virginia, to be Commissioner of Labor Statistics, Department of Labor.

Douglas W. Webster, of Virginia, to be Chief Financial Officer, Department of Labor.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

Stuart Ishimaru, of the District of Columbia, to be a Member of the Equal Employment Opportunity Commission.

NOMINATIONS

Mr. LEAHY. Mr. President, as the first session of the 110th Congress concludes, we should note that the Senate has worked hard on executive nominations. In addition to confirming 40 lifetime appointments to the Federal bench, we confirmed 21 of this President's nominations for high-ranking executive branch positions, including the confirmations of nine U.S. attorneys, four U.S. marshals, and eight other important positions. We achieved these numbers in a year when our investigation into the mass firing of U.S. attorneys, which triggered a host of resignations by senior White House and Justice Department officials, led the Judiciary Committee to devote significant time to rebuilding the integrity and independence of the Justice Department.

We held hearings on nine executive nominations, including 2-day hearing on the nomination of Michael B. Mukasey to be Attorney General of the United States and another hearing on the nomination of Judge Mark Filip to be Deputy Attorney General of the United States, the top two positions at the Justice Department. We also held hearings on the nominations of Michael J. Sullivan to be Director of the Bureau of Alcohol, Tobacco, Firearms, and Explosives; Ronald Jay Tenpas to be Assistant Attorney General, Environment and Natural Resources Division, Department of Justice; Ondray T. Harris to be Director, Community Relations Service, Department of Justice; David W. Hagy, to be Director of the National Institute of Justice, Department of Justice; Scott M. Burns, to be Deputy Director of National Drug Control Policy, Executive Office of the President; Cynthia Dyer, to be Director of the Violence Against Women Office, Department of Justice; and Nathan J. Hochman, to be an Assistant Attorney General, Tax Division, Department of Justice.

We favorably reported 20 executive nominations, and the full Senate has proceeded to confirm 21 executive nominations, including 4 additional nominations discharged from the Judiciary Committee and confirmed today, those of Joseph P. Russoniello to be U.S. attorney for the Northern District of California, Cynthia Dyer to be Director of the Violence Against Women Office, Julie L. Myers to be Assistant Secretary of Homeland Security, and Nathan J. Hochman, to be Assistant Attorney General of the Tax Division at the Justice Department.

I understand that Republican holds have prevented the confirmation of Michael J. Sullivan to be Director of the Bureau of Alcohol, Tobacco, Firearms, and Explosives.

I thank the members of the Judiciary Committee for their hard work all year in considering these important nominations. I especially thank those Senators who have given generously of their time to chair confirmation hearings throughout the year.

These nominations come at a critical time for the Nation. Over the course of this year, during which the Judiciary Committee investigated the firing of U.S. attorneys, we faced the most serious threat to the effectiveness and professionalism of the Justice Department since Watergate and the Saturday Night Massacre. Under this President, the Justice Department suffered a severe crisis of leadership that allowed our justice system to be corrupted by political intluence. The crisis of leadership that led to numerous resignations and has taken a heavy toll on the tradition of independence that has long guided the Department and protected it from political influence. This crisis has also taken a heavy toll on morale at the Department and in confidence among the American people.

Our work to restore the Justice Department also including reporting nine U.S. attorney nominations: James Russell Dedrick to be U.S. attorney for the Eastern District of Tennessee, Thomas P. O'Brien to be U.S. attorney for the Central District of California, Edward Meacham Yarbrough to be U.S. attorney for the Middle District of Tennessee, Rosa Emilia Rodriguez-Velez to be U.S. attorney for the District of Puerto Rico, Joe W. Stecher to be U.S. attorney for the District of Nebraska, John Wood to be U.S. attorney for the Western District of Missouri, Diane J. Humetewa to be U.S. attorney for the District of Arizona, Gregory A. Brower to be U.S. attorney for the District of Nevada, and Edmund A. Booth, Jr. to be U.S. attorney for the Southern District of Georgia. Some replace outstanding U.S. attorneys who were fired almost a year ago as part of the ill-advised, partisan plan to fire well-performing U.S. attorneys.

We also reported the nominations of four U.S. marshals: Michael David Credo for the Eastern District of Louisiana, Esteban Soto III for the District of Puerto Rico, John Roberts Hackman for the Eastern District of Virginia, and Robert Gideon Howard, Jr., for the Eastern District of Arkansas.

We also reported the nominations of Julie L. Myers to be Assistant Secretary of Homeland Security, Dabney Langhorne Friedrich to be a member of the U.S. Sentencing Commission, and Beryl A. Howell to be a member of the U.S. Sentencing Commission.

Just this week, with only a few legislative days left to us before the Christmas holidays and the end of this session, our committee held two hearings for executive nominations.

Our track record shows that the Judiciary Committee has been working hard to make progress. Of course, when the White House fails to timely send us nominations to fill vacancies, it makes it that much harder.

The White House has made an abysmal effort to send nominees to the Senate to replace the fired U.S. attorneys and to fill vacancies in those districts and many others. There are now 19 districts with acting or interim U.S. attorneys instead of Senate-confirmed

U.S. attorneys. That is nearly a quarter of all districts. Yet the White House has nominated only 3 people for these 19 spots. Of course, some of these could have been filled a year ago had the White House worked with the Senate.

I have urged the President to fill the remaining executive vacancies with nominees who will restore the independence of Federal law enforcement. Last month, the White House announced with great fanfare its intent to make nominations for key positions at the Department of Justice. It was only weeks later that several of these nominations were sent to the Senate. The delays in sending U.S. attorney nominees and others to the Senate follow the many months of delay where the White House failed to send nominees to fill vacancies that have been open since the summer, or before.

In the course of the committee's investigation into the unprecedented mass firing of U.S. attorneys by the President who appointed them, we uncovered an effort by officials at the White House and the Justice Department to exploit an obscure provision enacted during the PATRIOT Act reauthorization to do an end-run around the Senate's constitutional to confirm U.S. attorneys. The result was the firing of well-performing U.S. attorneys for not bending to the political will of political operatives at the White House.

I have repeatedly emphasized that when it comes to the Justice Department and to the U.S. attorneys in our home States, Senators have a say and a stake in ensuring fairness and independence in order to insulate Federal law enforcement function from untoward political influence. That is why the law and the practice has always been that these appointments require Senate confirmation. The advice and consent check on the appointment power for U.S attorneys is a critical function of the Senate.

I had hoped when the Senate voted overwhelmingly to close the loophole created by the PATRIOT Act when we passed S.214, the Preserving United States Attorneys Independence Act of 2007, by a vote of 97 to 0, it would send a clear message to the administration to make nominations that could receive Senate support and begin to restore an important check on the partisan influence in law enforcement. Yet, even as we closed one loophole, the administration has been exploiting others to continue to avoid coming to the Senate. Under the guidance of an erroneous opinion of the Justice Department's Office of Legal Counsel, the administration has been, employing the Vacancies Act authority to use acting U.S. attorneys and the power to appoint interim U.S. attorneys sequentially. They have used this misguided approach to put somebody in place for 330 days without the advice and consent of the Senate. This approach runs afoul of congressional intent and the law.

By not providing us with the nominations to the highest ranking vacancies within the Justice Department and not providing the basic background materials needed to review such nominations before the Thanksgiving recess, the administration has once again foreclosed the opportunity to have these nominees considered by the Senate and in place this year. Those nominations will now necessarily carryover into the next session. That is unfortunate and was unnecessary.

We will continue to make progress when we can, and I will urge the White House to work with the Senate to fill these vacancies.

NOMINATION OF JON WELLINGHOFF AND JOE KELLIHER

Ms. CANTWELL. Mr. President, I will support the Senate moving forward on the confirmation of Jon Wellinghoff and Joe Kelliher to be members of the Federal Energy Regulatory Commission. While I am pleased that FERC has been using its expanded authority granted by Congress in the Energy Policy Act of 2005 to pursue manipulation in the electricity and natural gas markets, I think it is critically important to remind FERC of its statutory duty to oversee the energy markets and protect consumers.

In light of evidence of market manipulation in the Western electricity crisis in 2001, I fought hard to ban market manipulation in electricity and natural gas markets. My amendment, adopted by Congress as part of the Energy Policy Act of 2005, provided FERC new authority under the Federal Power Act and Natural Gas Act to investigate and punish market manipulation in electricity and natural gas markets.

I am pleased to see that FERC has used this expanded authority to conduct 64 investigations. According to FERC, 13 of these investigations have resulted in settlements involving the payment of civil penalties or other monetary remedies totaling over $40 million. Two investigations have resulted in FERC bringing enforcement actions for alleged market manipulation against Amaranth Advisors LLC for $291 million in civil penalties and Energy Trading Partners for $167 million in civil penalties. Amaranth's shenanigans cost consumers upwards of $9 billion dollars during the summer of 2006.

However, I want to remind FERC of its responsibilities relating to protecting consumers under the Federal Power Act's statutory ''just and reasonable'' standard. In section 1290 of the Energy Policy Act of 2005, which I authored, Congress directed FERC to exercise its Federal Power Act authority to enforce ''just and reasonable'' rates when it reviewed the validity of termination payment claims made by Enron during the Western energy crisis of 2000–2001.

After entering into power contracts in a market that Enron manipulated, several utilities, including the Snohomish Public Utility District in my State, the Nevada Power Company and Sierra Pacific Power Company in Nevada, terminated their contracts with Enron or watched as Enron terminated them when the company's web of fraudulent accounting was revealed in late 2001. As a result, Enron tried to squeeze hundreds of millions of dollars of termination fee payments from the electricity consumers of these utilities. In my opinion, these payments demanded by Enron were certainly neither just nor reasonable.

After enactment of the Cantwell amendment, the Snohomish Public Utility District in my State and several other entities including the Nevada Power Company, asked FERC to exercise its Federal Power Act authority, which includes enforcing ''just and reasonable'' rates, and deny Enron the ability to charge the fraudulent termination payments.

Using the force of the Cantwell amendment, these Washington State and Nevada utilities were able to avoid protracted litigation and settle Enron's absurd termination fee claims, saving these utilities from paying hundreds of millions in unjust payments on contracts that Enron fraudulently induced. This has helped save electricity consumers of Washington and Nevada hundreds of millions of dollars.

This spring, the U.S. Supreme Court will review a decision of the U.S. Court of Appeals for the Ninth Circuit which declared that FERC failed to use its authority under the Federal Power Act to enforce ''just and reasonable'' rates. In a brief to the Supreme Court in this matter, FERC recently took the position that it was free to approve long-term contracts arising out of the 2000–2001 Western power crisis notwithstanding evidence that, in the words of Stanford University energy economist Dr. Frank Wolak, suppliers to the Western markets during this period were ''able to exercise market power at unprecedented levels'' resulting in ''prices vastly in excess of competitive levels.''

As the Ninth Circuit's opinion makes clear, if FERC adopts market-based rates, it has an obligation to ensure that the markets operate properly and it cannot simply assume that a contract is just and reasonable even if the contract is the product of a manipulated market, such as the experienced in the West during 2000–2001.

It is troublesome that FERC continues to argue that it is free to ignore evidence of market manipulation and market power abuse when reviewing contracts affected by that abuse. Moreover, this position is inconsistent with its recent emphasis on enforcement of market standards. FERC's position in the Supreme Court essentially could allow market abusers to protect their ill-gotten gains by locking them up in contracts, undermining any incentive they might otherwise have to obey market rules and report abuses by other market participants.

While I am pleased that Commissioner Wellinghoff's response to my

questions indicates that he does not agree with FERC's brief in this matter, I will continue to watch FERC very closely as this case moves forward. FERC is the sole forum to bring complaints of market power abuse and manipulation in electricity and natural gas, markets, and I fully expect FERC to not abrogate its Federal Power Act responsibilities to protect consumers and enforce ''just and reasonable'' rates.

LEGISLATIVE SESSION

The ACTING PRESIDENT pro tempore. The Senate will now return to legislative session.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

APPOINTMENT

The ACTING PRESIDENT pro tempore. The Chair, on behalf of the minority leader, and after consultation with the ranking members of the Senate Committee on Armed Services and the Senate Committee on Finance, pursuant to Public Law 106–398, as amended by Public Law 108–7, appoints the following individual as a member of the United States—China Economic Security Review Commission: Daniel A. Blumenthal of the District of Columbia, for a term expiring December 31, 2009.

ORDER OF PROCEDURE

Mr. REID. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9:30 a.m., Friday, December 21, and that on Friday, the Senate meet in pro forma session only, with no business conducted; that at the close of Friday's session, the Senate then meet in pro forma session, with no business conducted, on the following days and following times and recess after each session: Sunday, December 23, at 11 a.m.; Wednesday, December 26, at 9:30 a.m.; Friday, December 28, at 10 a.m.; Monday, December 31, at 10 a.m., and that at the close of the pro forma session on December 31, the Senate stand adjourned sine die, pursuant to S. Con. Res. 61, as amended, until 12 noon, Thursday, January 3, 2008, for a pro forma session only, and the Senate then recess until Monday, January 7, at 9 a.m., to meet in pro forma session, as provided previously, and meet on the following days and recess over each period: Wednesday, January 9, 11 a.m.; Friday, January 11 at 9:30 a.m.; Tuesday, January 15, at 11 a.m.; and Friday, January 18, at 10 a.m.; that at the close of that session, the Senate then reconvene on Tuesday, January 22, at 10 a.m.; that the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and then there be a period for the transaction of morning business for 60 minutes, with Senators permitted to speak for up to 10 minutes each, and the time be equally divided and controlled between the two leaders or their designees, with the Republicans controlling the first half and the majority controlling the final portion, and that the Senate then proceed to S. 1200, as previously provided.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECESS UNTIL 9:30 A.M., FRIDAY, DECEMBER 21, 2007

Mr. REID. Mr. President, I now ask unanimous consent that the Senate stand in recess under the previous order.

There being no objection, the Senate, at 9:22 p.m., recessed until Friday, December 21, 2007, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate:

EXECUTIVE OFFICE OF THE PRESIDENT

DEANNA TANNER OKUN, OF IDAHO, TO BE A DEPUTY UNITED STATES TRADE REPRESENTATIVE, WITH THE RANK OF AMBASSADOR, VICE KARAN K. BHATIA.

DEPARTMENT OF STATE

RICHARD A. BOUCHER, OF MARYLAND, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, FOR THE PERSONAL RANK OF CAREER AMBASSADOR IN RECOGNITION OF ESPECIALLY DISTINGUISHED SERVICE OVER A SUSTAINED PERIOD.

WILLIAM J. BURNS, OF THE DISTRICT OF COLUMBIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, FOR THE PERSONAL RANK OF CAREER AMBASSADOR IN RECOGNITION OF ESPECIALLY DISTINGUISHED SERVICE OVER A SUSTAINED PERIOD.

ANNE WOODS PATTERSON, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, FOR THE PERSONAL RANK OF CAREER AMBASSADOR IN RECOGNITION OF ESPECIALLY DISTINGUISHED SERVICE OVER A SUSTAINED PERIOD.

C. DAVID WELCH, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, FOR THE PERSONAL RANK OF CAREER AMBASSADOR IN RECOGNITION OF ESPECIALLY DISTINGUISHED SERVICE OVER A SUSTAINED PERIOD.

DEPARTMENT OF HOMELAND SECURITY

ROBERT D. JAMISON, OF VIRGINIA, TO BE AN UNDER SECRETARY OF HOMELAND SECURITY.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

ROBERT G. MCSWAIN, OF MARYLAND, TO BE DIRECTOR OF THE INDIAN HEALTH SERVICE, DEPARTMENT OF HEALTH AND HUMAN SERVICES, FOR THE TERM OF FOUR YEARS, VICE CHARLES W. GRIM, RESIGNED.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

JAMSHEED K. CHOKSY, OF INDIANA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2014, VICE LAWRENCE OKAMURA, TERM EXPIRING.

DAWN HO DELBANCO, OF NEW YORK, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2014, VICE DARIO FERNANDEZ-MORERA, TERM EXPIRING.

GARY D. GLENN, OF ILLINOIS, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2014, VICE STEPHAN THERNSTROM, TERM EXPIRING.

DAVID HERTZ, OF INDIANA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2014, VICE JEWEL SPEARS BROOKER, TERM EXPIRING.

MARVIN BAILEY SCOTT, OF INDIANA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR THE REMAINDER OF THE TERM EXPIRING JANUARY 26, 2010, VICE THOMAS K. LINDSAY, RESIGNED.

CAROL M. SWAIN, OF TENNESSEE, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2014, VICE SIDNEY MCPHEE, RESIGNED.

IN THE ARMY

THE FOLLOWING NAMED INDIVIDUALS FOR REGULAR APPOINTMENT TO THE GRADES INDICATED IN THE UNITED STATES ARMY DENTAL CORPS UNDER TITLE 10, U.S.C., SECTIONS 531 AND 3064:

To be lieutenant colonel

MANUEL POZOALONSO, 0000

To be major

RACHELLE A. RETOMA, 0000

NOMINATIONS RETURNED TO THE PRESIDENT

Wednesday, December 19, 2007

The following nominations transmitted by the President of the United States to the Senate during the first session of the 110th Congress, and upon which no action was had at the time of the December recess of the Senate, failed of confirmation under the provisions of Rule XXXI, paragraph 6, of the Standing Rules of the Senate.

DEPARTMENT OF DEFENSE

ANITA K. BLAIR, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF THE NAVY.

DEPARTMENT OF JUSTICE

STEVEN G. BRADBURY, OF MARYLAND, TO BE AN ASSISTANT ATTORNEY GENERAL.

IN THE AIR FORCE

AIR FORCE NOMINATION OF COL. MARK W. TILLMAN, 0000, TO BE BRIGADIER GENERAL.

IN THE ARMY

ARMY NOMINATIONS BEGINNING WITH COL. LARRY L. ARNETT AND ENDING WITH COL. GILBERTO S. PENA, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JANUARY 9, 2007.

ARMY NOMINATION OF COL. MARC L. WARREN, 0000, TO BE BRIGADIER GENERAL.

DISCHARGED NOMINATIONS

The Senate Committee on Foreign Relations was discharged from further consideration of the following nominations and the nominations were confirmed:

FOREIGN SERVICE NOMINATIONS BEGINNING WITH CEDRA DANIELLE EATON AND ENDING WITH DANNY J. SHEESLEY, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 6, 2007.

FOREIGN SERVICE NOMINATIONS BEGINNING WITH JULIA A. STEWART AND ENDING WITH DEBORAH WINTERS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 20, 2007.

FOREIGN SERVICE NOMINATIONS BEGINNING WITH ANNE H. AARNES AND ENDING WITH MELISSA ANN WILLIAMS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON OCTOBER 23, 2007.

FOREIGN SERVICE NOMINATIONS BEGINNING WITH PAMELA E. BRIDGEWATER AND ENDING WITH FRONTIS B. WIGGINS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON OCTOBER 23, 2007.

FOREIGN SERVICE NOMINATIONS BEGINNING WITH JEFFERY A. LIFUR AND ENDING WITH MARWA ZEINI, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON NOVEMBER 1, 2007.

MARY ANN GLENDON, OF MASSACHUSETTS, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE HOLY SEE.

FOREIGN SERVICE NOMINATIONS BEGINNING WITH S. NAJLAA ABDUS-SAMAD AND ENDING WITH LONNIE J. PRICE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON NOVEMBER 7, 2007.

CHARLES W. LARSON, JR., OF IOWA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF LATVIA.

The Senate Committee on Homeland Security and Governmental Affairs was

discharged from further consideration of the following nominations and the nominations were confirmed:

STEVEN H. MURDOCK, OF TEXAS, TO BE DIRECTOR OF THE CENSUS.
JEFFREY WILLIAM RUNGE, OF NORTH CAROLINA, TO BE ASSISTANT SECRETARY FOR HEALTH AFFAIRS AND CHIEF MEDICAL OFFICER, DEPARTMENT OF HOMELAND SECURITY.

The Senate Committee on Health, Education, Labor, and Pensions was discharged from further consideration of the following nominations and the nominations were confirmed:

ERIC ALAN HANUSHEK, OF CALIFORNIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE NATIONAL BOARD FOR EDUCATION SCIENCES FOR A TERM EXPIRING NOVEMBER 28, 2010.
CAROL D'AMICO, OF INDIANA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE NATIONAL BOARD FOR EDUCATION SCIENCES FOR A TERM EXPIRING NOVEMBER 28, 2010.
HOWARD RADZELY, OF MARYLAND, TO BE DEPUTY SECRETARY OF LABOR.
STUART ISHIMARU, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE EQUAL EMPLOYMENT OPPORTUNITY COMMISSION FOR A TERM EXPIRING JULY 1, 2012.
GREGORY F. JACOB, OF NEW JERSEY, TO BE SOLICITOR FOR THE DEPARTMENT OF LABOR.
KEITH HALL, OF VIRGINIA, TO BE COMMISSIONER OF LABOR STATISTICS, DEPARTMENT OF LABOR, FOR A TERM OF FOUR YEARS.
TRACY RALPH JUSTESEN, OF UTAH, TO BE ASSISTANT SECRETARY FOR SPECIAL EDUCATION AND REHABILITATIVE SERVICES, DEPARTMENT OF EDUCATION.

The Senate Committee on the Judiciary was discharged from further consideration of the following nominations and the nominations were confirmed:

SCOTT M. BURNS, OF UTAH, TO BE DEPUTY DIRECTOR OF NATIONAL DRUG CONTROL POLICY.
CYNTHIA DYER, OF TEXAS, TO BE DIRECTOR OF THE VIOLENCE AGAINST WOMEN OFFICE, DEPARTMENT OF JUSTICE.
NATHAN J. HOCHMAN, OF CALIFORNIA, TO BE AN ASSISTANT ATTORNEY GENERAL.
JOSEPH P. RUSSONIELLO, OF CALIFORNIA, TO BE UNITED STATES ATTORNEY FOR THE NORTHERN DISTRICT OF CALIFORNIA FOR THE TERM OF FOUR YEARS.

The Senate Committee on Banking, Housing, and Urban Affairs was discharged from further consideration of the following nominations and the nominations were confirmed:

CHRISTOPHER A. PADILLA, OF THE DISTRICT OF COLUMBIA, TO BE UNDER SECRETARY OF COMMERCE FOR INTERNATIONAL TRADE.
ALLAN I. MENDELOWITZ, OF CONNECTICUT, TO BE A DIRECTOR OF THE FEDERAL HOUSING FINANCE BOARD FOR A TERM EXPIRING FEBRUARY 27, 2014.

The Senate Committee on Health, Education, Labor, and Pensions was discharged from further consideration of the following nomination and the nomination was confirmed:

DOUGLAS W. WEBSTER, OF VIRGINIA, TO BE CHIEF FINANCIAL OFFICER, DEPARTMENT OF LABOR.

CONFIRMATIONS

Executive nominations confirmed by the Senate Wednesday, December 19, 2007:

FEDERAL ENERGY REGULATORY COMMISSION

JOSEPH TIMOTHY KELLIHER, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE FEDERAL ENERGY REGULATORY COMMISSION FOR THE TERM EXPIRING JUNE 30, 2012.

DEPARTMENT OF HOMELAND SECURITY

JULIE L. MYERS, OF KANSAS, TO BE ASSISTANT SECRETARY OF HOMELAND SECURITY.

FEDERAL EMERGENCY MANAGEMENT AGENCY

W. ROSS ASHLEY, III, OF VIRGINIA, TO BE AN ASSISTANT ADMINISTRATOR OF THE FEDERAL EMERGENCY MANAGEMENT AGENCY, DEPARTMENT OF HOMELAND SECURITY.

DEPARTMENT OF COMMERCE

TODD J. ZINSER, OF VIRGINIA, TO BE INSPECTOR GENERAL, DEPARTMENT OF COMMERCE.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

BENJAMIN ERIC SASSE, OF NEBRASKA, TO BE AN ASSISTANT SECRETARY OF HEALTH AND HUMAN SERVICES.

CHRISTINA H. PEARSON, OF MARYLAND, TO BE AN ASSISTANT SECRETARY OF HEALTH AND HUMAN SERVICES.

FEDERAL ENERGY REGULATORY COMMISSION

JON WELLINGHOFF, OF NEVADA, TO BE A MEMBER OF THE FEDERAL ENERGY REGULATORY COMMISSION FOR THE TERM EXPIRING JUNE 30, 2013.

DEPARTMENT OF DEFENSE

JAMES SHINN, OF NEW JERSEY, TO BE AN ASSISTANT SECRETARY OF DEFENSE.
MARY BETH LONG, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF DEFENSE.
JOHN H. GIBSON, OF TEXAS, TO BE AN ASSISTANT SECRETARY OF THE AIR FORCE.
CRAIG W. DUEHRING, OF MINNESOTA, TO BE AN ASSISTANT SECRETARY OF THE AIR FORCE.

DEPARTMENT OF TRANSPORTATION

FRANCIS MULVEY, OF MARYLAND, TO BE A MEMBER OF THE SURFACE TRANSPORTATION BOARD FOR A TERM EXPIRING DECEMBER 31, 2012.
CARL T. JOHNSON, OF VIRGINIA, TO BE ADMINISTRATOR OF THE PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION, DEPARTMENT OF TRANSPORTATION.

IN THE COAST GUARD

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES COAST GUARD RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be rear admiral

REAR ADM. (LH) MICHAEL R. SEWARD, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES COAST GUARD TO THE GRADE INDICATED UNDER TITLE 14, U.S.C., SECTION 271:

To be rear admiral (lower half)

CAPT. JOSEPH R. CASTILLO, 0000
CAPT. DANIEL R. MAY, 0000
CAPT. PETER V. NEFFENGER, 0000
CAPT. CHARLES W. RAY, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES COAST GUARD TO THE GRADE INDICATED UNDER TITLE 14, U.S.C., SECTION 271:

To be rear admiral

REAR ADM. (LH) WILLIAM D. BAUMGARTNER, 0000
REAR ADM. (LH) MANSON K. BROWN, 0000
REAR ADM. (LH) CYNTHIA A. COOGAN, 0000

DEPARTMENT OF HOMELAND SECURITY

ROBERT D. JAMISON, OF VIRGINIA, TO BE AN UNDER SECRETARY OF HOMELAND SECURITY.
THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

DEPARTMENT OF COMMERCE

STEVEN H. MURDOCK, OF TEXAS, TO BE DIRECTOR OF THE CENSUS.
CHRISTOPHER A. PADILLA, OF THE DISTRICT OF COLUMBIA, TO BE UNDER SECRETARY OF COMMERCE FOR INTERNATIONAL TRADE.

DEPARTMENT OF EDUCATION

TRACY RALPH JUSTESEN, OF UTAH, TO BE ASSISTANT SECRETARY FOR SPECIAL EDUCATION AND REHABILITATIVE SERVICES, DEPARTMENT OF EDUCATION.

DEPARTMENT OF HOMELAND SECURITY

JEFFREY WILLIAM RUNGE, OF NORTH CAROLINA, TO BE ASSISTANT SECRETARY FOR HEALTH AFFAIRS AND CHIEF MEDICAL OFFICER, DEPARTMENT OF HOMELAND SECURITY.

DEPARTMENT OF JUSTICE

CYNTHIA DYER, OF TEXAS, TO BE DIRECTOR OF THE VIOLENCE AGAINST WOMEN OFFICE, DEPARTMENT OF JUSTICE.
NATHAN J. HOCHMAN, OF CALIFORNIA, TO BE AN ASSISTANT ATTORNEY GENERAL.
JOSEPH P. RUSSONIELLO, OF CALIFORNIA, TO BE UNITED STATES ATTORNEY FOR THE NORTHERN DISTRICT OF CALIFORNIA FOR THE TERM OF FOUR YEARS.

DEPARTMENT OF LABOR

HOWARD RADZELY, OF MARYLAND, TO BE DEPUTY SECRETARY OF LABOR.
GREGORY F. JACOB, OF NEW JERSEY, TO BE SOLICITOR FOR THE DEPARTMENT OF LABOR.
KEITH HALL, OF VIRGINIA, TO BE COMMISSIONER OF LABOR STATISTICS, DEPARTMENT OF LABOR, FOR A TERM OF FOUR YEARS.
DOUGLAS W. WEBSTER, OF VIRGINIA, TO BE CHIEF FINANCIAL OFFICER, DEPARTMENT OF LABOR.

DEPARTMENT OF STATE

MARY ANN GLENDON, OF MASSACHUSETTS, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE HOLY SEE.
CHARLES W. LARSON, JR., OF IOWA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF LATVIA.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

STUART ISHIMARU, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE EQUAL EMPLOYMENT OPPORTUNITY COMMISSION FOR A TERM EXPIRING JULY 1, 2012.

EXECUTIVE OFFICE OF THE PRESIDENT

SCOTT M. BURNS, OF UTAH, TO BE DEPUTY DIRECTOR OF NATIONAL DRUG CONTROL POLICY.

FEDERAL HOUSING FINANCE BOARD

ALLAN I. MENDELOWITZ, OF CONNECTICUT, TO BE A DIRECTOR OF THE FEDERAL HOUSING FINANCE BOARD FOR A TERM EXPIRING FEBRUARY 27, 2014.

NATIONAL BOARD FOR EDUCATION SCIENCES

ERIC ALAN HANUSHEK, OF CALIFORNIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE NATIONAL BOARD FOR EDUCATION SCIENCES FOR A TERM EXPIRING NOVEMBER 28, 2010.
CAROL D'AMICO, OF INDIANA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE NATIONAL BOARD FOR EDUCATION SCIENCES FOR A TERM EXPIRING NOVEMBER 28, 2010.

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be general

LT. GEN. ROGER A. BRADY, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. RICHARD Y. NEWTON III, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be brigadier general

COL. WALTER D. GIVHAN, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. WILLIAM L. SHELTON, 0000

THE FOLLOWING AIR NATIONAL GUARD OF THE UNITED STATES OFFICER FOR APPOINTMENT IN THE RESERVE OF THE AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be brigadier general

COL. ALLYSON R. SOLOMON, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be brigadier general

COL. CHRISTOPHER F. BURNE, 0000
COL. DWIGHT D. CREASY, 0000

IN THE ARMY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY UNDER TITLE 10, U.S.C., SECTION 624:

To be brigadier general

COLONEL ROBERT B. ABRAMS, 0000
COLONEL RALPH O. BAKER, 0000
COLONEL ALLEN W. BATSCHELET, 0000
COLONEL PETER C. BAYER, JR., 0000
COLONEL ARNOLD N.G. BRAY, 0000
COLONEL JEFFREY S. BUCHANAN, 0000
COLONEL ROBERT A. CARR, 0000
COLONEL GARY H. CHEEK, 0000
COLONEL KENDALL P. COX, 0000
COLONEL WILLIAM T. CROSBY, 0000
COLONEL ANTHONY G. CRUTCHFIELD, 0000
COLONEL JOSEPH P. DISALVO, 0000
COLONEL BRIAN J. DONAHUE, 0000
COLONEL PATRICK J. DONAHUE II, 0000
COLONEL PETER N. FULLER, 0000
COLONEL WILLIAM K. FULLER, 0000
COLONEL WALTER M. GOLDEN, JR., 0000
COLONEL PATRICK M. HIGGINS, 0000
COLONEL FREDERICK B. HODGES, 0000
COLONEL BRIAN R. LAYER, 0000
COLONEL RICHARD C. LONGO, 0000
COLONEL ALAN R. LYNN, 0000
COLONEL DAVID L. MANN, 0000
COLONEL LLOYD MILES, 0000
COLONEL MARK A. MILLEY, 0000
COLONEL JOHN W. NICHOLSON, JR., 0000
COLONEL HENRY J. NOWAK, 0000
COLONEL RAYMOND P. PALUMBO, 0000
COLONEL GARY S. PATTON, 0000
COLONEL MARK W. PERRIN, 0000
COLONEL WILLIAM E. RAPP, 0000
COLONEL THOMAS J. RICHARDSON, 0000
COLONEL STEVEN L. SALAZAR, 0000
COLONEL RAYMOND A. THOMAS III, 0000
COLONEL PAUL L. WENTZ, 0000
COLONEL LARRY D. WYCHE, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED

WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

LT. GEN. R. STEVEN WHITCOMB, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be major general

BRIG. GEN. JOHN A. MACDONALD, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTIONS 624 AND 3064:

To be brigadier general

COL. DANA K. CHIPMAN, 0000

THE FOLLOWING ARMY NATIONAL GUARD OF THE UNITED STATES OFFICER FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be major general

BRIG. GEN. DENNIS L. CELLETTI, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

LT. GEN. DAVID P. VALCOURT, 0000

FOREIGN SERVICE

FOREIGN SERVICE NOMINATIONS BEGINNING WITH CEDRA DANIELLE EATON AND ENDING WITH DANNY J. SHEESLEY, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 6, 2007.

FOREIGN SERVICE NOMINATIONS BEGINNING WITH JULIA A. STEWART AND ENDING WITH DEBORAH WINTERS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 20, 2007.

FOREIGN SERVICE NOMINATIONS BEGINNING WITH ANNE H. AARNES AND ENDING WITH MELISSA ANN WILLIAMS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON OCTOBER 23, 2007.

FOREIGN SERVICE NOMINATIONS BEGINNING WITH PAMELA E. BRIDGEWATER AND ENDING WITH FRONTIS B. WIGGINS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON OCTOBER 23, 2007.

FOREIGN SERVICE NOMINATIONS BEGINNING WITH JEFFERY A. LIFUR AND ENDING WITH MARWA ZEINI, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON NOVEMBER 1, 2007.

FOREIGN SERVICE NOMINATIONS BEGINNING WITH S. NAJLAA ABDUS-SAMAD AND ENDING WITH LONNIE J. PRICE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON NOVEMBER 7, 2007.

IN THE AIR FORCE

AIR FORCE NOMINATION OF JOSEPH V. TREANOR III, 0000, TO BE COLONEL.

AIR FORCE NOMINATION OF PAMALA L. BROWNGRAYSON, 0000, TO BE MAJOR.

AIR FORCE NOMINATION OF ALICIA J. EDWARDS, 0000, TO BE MAJOR.

AIR FORCE NOMINATIONS BEGINNING WITH THERESA D. BROWNDOONQUAH AND ENDING WITH CHERYL A. JOHNSON, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON DECEMBER 6, 2007.

AIR FORCE NOMINATIONS BEGINNING WITH JEFFREY J. HOFFMANN AND ENDING WITH GERALD B. WHISLER III, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON DECEMBER 6, 2007.

AIR FORCE NOMINATIONS BEGINNING WITH KELLEY A. BROWN AND ENDING WITH MARK A. NIELSEN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON DECEMBER 6, 2007.

AIR FORCE NOMINATIONS BEGINNING WITH JOHN R. SHAW AND ENDING WITH NATALIE L. RESTIVO, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON DECEMBER 11, 2007.

IN THE ARMY

ARMY NOMINATIONS BEGINNING WITH WILLIAM E. ACKERMAN AND ENDING WITH MARK A. VAITKUS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON NOVEMBER 15, 2007.

ARMY NOMINATIONS BEGINNING WITH RACHEL A. ARMSTRONG AND ENDING WITH VERONICA A. THURMOND, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON NOVEMBER 15, 2007.

ARMY NOMINATIONS BEGINNING WITH VIVIAN T. HUTSON AND ENDING WITH LAURIE E. SWEET, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON NOVEMBER 15, 2007.

ARMY NOMINATIONS BEGINNING WITH GARY D. COLEMAN AND ENDING WITH PAUL E. WHIPPO, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON NOVEMBER 15, 2007.

ARMY NOMINATION OF LILLIAN L. LANDRIGAN, 0000, TO BE LIEUTENANT COLONEL.

ARMY NOMINATIONS BEGINNING WITH SARAH B. GOLDMAN AND ENDING WITH MICHEAL B. MOORE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON DECEMBER 3, 2007.

ARMY NOMINATIONS BEGINNING WITH RICKY A. THOMAS AND ENDING WITH JOSEPH PUSKAR, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON DECEMBER 3, 2007.

ARMY NOMINATION OF TARNJIT S. SAINI, 0000, TO BE LIEUTENANT COLONEL.

ARMY NOMINATION OF BOCKARIE SESAY, 0000, TO BE MAJOR.

ARMY NOMINATION OF DEBORAH MINNICKSHEARIN, 0000, TO BE MAJOR.

ARMY NOMINATION OF STEPHEN L. FRANCO, 0000, TO BE MAJOR.

ARMY NOMINATION OF GEORGE QUIROA, 0000, TO BE LIEUTENANT COLONEL.

ARMY NOMINATIONS BEGINNING WITH DAVID N. GERESKI AND ENDING WITH CLINT E. WALKER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON DECEMBER 3, 2007.

ARMY NOMINATION OF KIMBERLY K. JOHNSON, 0000, TO BE MAJOR.

ARMY NOMINATIONS BEGINNING WITH ALAN JONES AND ENDING WITH CHANTAY P. WHITE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON DECEMBER 3, 2007.

ARMY NOMINATIONS BEGINNING WITH MARIAN AMREIN AND ENDING WITH D060583, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON DECEMBER 3, 2007.

ARMY NOMINATION OF DANIEL J. JUDGE, 0000, TO BE LIEUTENANT COLONEL.

ARMY NOMINATIONS BEGINNING WITH RICHARD HARRISON AND ENDING WITH GREGORY W. WALTER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON DECEMBER 6, 2007.

ARMY NOMINATIONS BEGINNING WITH JOE R. WARDLAW AND ENDING WITH NICKOLAS KARAJOHN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON DECEMBER 6, 2007.

ARMY NOMINATIONS BEGINNING WITH VANESSA M. MEYER AND ENDING WITH JAMES E. ADAMS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON DECEMBER 6, 2007.

ARMY NOMINATION OF QUINDOLA M. CROWLEY, 0000, TO BE LIEUTENANT COLONEL.

ARMY NOMINATIONS BEGINNING WITH PAUL A. MABRY AND ENDING WITH ROBERT PERITO, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON DECEMBER 11, 2007.

ARMY NOMINATIONS BEGINNING WITH JOSEPH M. ADAMS AND ENDING WITH D060256, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON DECEMBER 11, 2007.

ARMY NOMINATIONS BEGINNING WITH ANTHONY J. ABATI AND ENDING WITH D060260, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON DECEMBER 11, 2007.

ARMY NOMINATIONS BEGINNING WITH DAVID P. ACEVEDO AND ENDING WITH X1408, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON DECEMBER 11, 2007.

IN THE COAST GUARD

COAST GUARD NOMINATION OF ROBERT A. STOHLMAN, 0000, TO BE CAPTAIN.

COAST GUARD NOMINATION OF RAYMOND S. KINGSLEY, 0000, TO BE LIEUTENANT.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION NOMINATIONS BEGINNING WITH LILLIAN G. K. BREEN AND ENDING WITH ANNA-ELIZABETH B. VILLARD-HOWE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON NOVEMBER 1, 2007.

IN THE NAVY

NAVY NOMINATION OF HORACE E. GILCHRIST, 0000, TO BE LIEUTENANT COMMANDER.

NAVY NOMINATIONS BEGINNING WITH RICHARD W. SISK AND ENDING WITH JOHN T. SCHOFIELD, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON DECEMBER 3, 2007.

NAVY NOMINATIONS BEGINNING WITH STEPHEN W. ALDRIDGE AND ENDING WITH KRISTOFER J. WESTPHAL, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON DECEMBER 11, 2007.

WITHDRAWAL

Executive Message transmitted by the President to the Senate on December 19, 2007 withdrawing from further Senate consideration the following nomination:

ROBERT D. JAMISON, OF VIRGINIA, TO BE UNDER SECRETARY FOR NATIONAL PROTECTION AND PROGRAMS, DEPARTMENT OF HOMELAND SECURITY, VICE GEORGE W. FORESMAN, RESIGNED, WHICH WAS SENT TO THE SENATE ON SEPTEMBER 4, 2007.